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ABSTRACT

Shortly after the local jurisdictions responsible for administering the Job Training Partnership Act (JTPA) completed their transition year and entered into their first full year of operation, the National Alliance of Business undertook two major data collection projects. The 593 service delivery areas (SDAs) and a sample of private industry council (PIC) chairpersons were surveyed. Representative findings were that administrative structures and geographic configurations were stable and SDAs relied on other agencies and institutions to provide outreach, intake, and training. A growing number of SDAs sought and received non-federal funding. JTPA Title IIA served approximately 600,000 individuals. On average, 667 participants terminated from the typical SDA; 416 found jobs. Five of the seven performance standards were met by at least 80 percent of the SDAs. SDAs offered a well-balanced array of training activities. Classroom training was the largest category of training expenditure. Both PIC chairs and SDA staff were consistent in their positive assessment of the PIC's role and impact. Business involvement appeared to have increased. About half of the SDA administrators were dissatisfied with state JTPA administration; however, two-thirds of those dissatisfied were concentrated in 12 states. States had designed a variety of individual reporting systems. (YLB)

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National
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Job Training
Partnership Act
Research Findings

What's Happening with JTPA?

A Complete Analysis of NAB's 1984 Survey Data

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Elaine Brady, NAB Clearinghouse Manager for Evaluation Studies, managed the data collection effort, directed the analysis, and was the principal author of this report.

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PREFACE

It is with great pride that the National Alliance of Business provides you with the final, comprehensive report based on our two 1984 data collection projects: an exhaustive survey of all service delivery areas and a specialized survey of a sample of private industry council chairs. The information in this publication is timely and of great value to all the partners committed to making JTPA succeed in a cost-effective and efficient way.

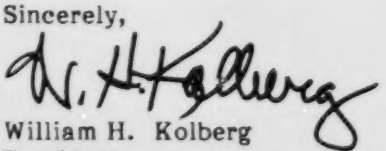
While our release of the major findings in November provided a snapshot of how well the reorganized system was functioning at the completion of the transition year, this report provides a much more complete picture -- it presents analyses of new information as well as a more detailed look of the initial conclusions and their implications, including cross-tabulations among related variables. Whenever relevant, we offer the opinions and impressions gathered during the interviews and compare the findings to those obtained through NAB's 1983 survey of local programs.

Although it is impossible to determine the long-term impact of JTPA at this time, we are pleased to report that the findings are largely positive. Most employment and training communities have indeed set a system in place which is continuing to meet the needs of economically disadvantaged and structurally unemployed people while increasing business involvement in cost-effective way. The public/private partnership appears to be working successfully in most areas. A clear majority of the people enrolled in local JTPA programs obtained employment at the time of their termination from the core transitional year program. We at NAB commend private industry council members and service delivery area administrators for the job they have done during the rapid and challenging transition from CETA to JTPA.

This is not to say, however, that there are no areas that might prove problemmatic. As the data indicate, key issues such as the level of service to youth, the relationship between the state and the local entities responsible for overseeing JTPA, and the effects of the 30 percent limitation on administrative and supportive services costs bear watching. However, the overwhelming majority of evidence indicates that JTPA is functioning effectively in most areas and that the rather rapid evolutionary change from CETA to JTPA has strengthened the job training system.

The Alliance hopes to be able to repeat similar survey efforts next year. We strongly believe tht the sharing of information on problems and progress is critical to the positive evolution of JTPA. We look forward to working with you to help further the goals of JTPA and strengthen local economies.

Sincerely,



William H. Kolberg
President
National Alliance of Business

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EXECUTIVE SUMMARY

GENERAL ADMINISTRATIVE ISSUES

- Administrative structures as well as geographic configurations were stable. Although a year ago many SDAs indicated that they expected to change their grant recipients or administrative entities, few changes were made.

- The SDAs rely on many agencies to provide outreach and intake and most indicated that they do not have a policy of giving preference to the "hard-to-serve" or the "easier-to-serve." About one-third of the SDAs require program operators, many of whom are under performance contracts, to do a portion, if not all, of the outreach and intake functions.

- In relying on a variety of sources for training, the majority of the SDAs heavily use both public education institutions and the private sector for training. Community-based organizations are the third most frequently used entity.

- About 40 percent of the SDAs use performance contracts for over half of their training programs.

- Involvement of community-based organizations in JTPA has remained stable and appears to be increasing slightly. The majority of participants in most SDAs, however, do not receive training or services from such entities.

- The supportive services most commonly provided under CETA continue to be provided under JTPA, but are usually restricted to those most in need or in certain types of training programs. Third parties provide supportive services in a number of sites at no cost to JTPA.

- Unlike CETA, in which most prime sponsors paid hourly stipends and cash payments, only about half of all SDAs provide either stipends or cash payments and these are usually restricted to participants meeting certain criteria.

- State set-aside and Title III funds generally by-passed the SDAs and usually added very little to their funding levels from Titles IIA and B. A growing number of SDAs, almost one-third, sought and received other non-federal funding.

- The overwhelming majority of all SDAs indicated that limits on administrative costs would have a negative impact on their management and conduct of JTPA. Over half of all SDAs had less than $255,000 in Title IIA money for administration.

- The majority of SDAs had written agreements with the Employment Service, secondary and post-secondary education agencies/institutions, welfare agencies, vocational rehabilitation entities, and economic development agencies.

SDA PERFORMANCE

- JTPA Title IIA served approximately 600,000 individuals during the transition year. On average, 667 participants terminated from the typical SDA; 416 of these individuals found jobs..

- Although less than half of the SDAs surveyed (44%) met all of their performance standards during the transition year, five of the seven standards were met by at least 80 percent of the SDAs. On a national basis, four national performance standards were surpassed (three placement rate standards and adult cost per placement rate) and one was barely missed (adult wage at placement). The youth positive termination standard was not met. (The standard for youth wage at placement was not set.)

- Characteristics of those who terminated under JTPA Title IIA are very similar to those who terminated under CETA (Title IIBC, FY '83). For example, the level of service to welfare recipients was the same under the core JTPA and CETA programs.

- Almost half of the SDAs had trouble meeting their youth expenditure goal, but SDAs gave no single overriding explanation for the problem. While certain restrictions in the legislation may have stymied some SDAs, many others cited programmatic issues such as slow start-up and inadequate marketing.

- Most SDAs met or surpassed the percentage of welfare recipients the law required them to serve.

- After youth and welfare recipients, SDAs most often targeted high school drop-outs and minorities.

TRAINING ACTIVITIES

- SDAs offer a well-balanced array of training activities. The percentage of enrollees participating in both OJT and classroom training has increased significantly over CETA, while work experience has decreased; yet, SDAs have avoided over-reliance on a single component. On-the-job, classroom skills training and pre-employment/motivational training <u>each</u> are expected to serve about 40 percent of all adult enrollees this year. Participants in multiple training activities account for the number exceeding 100 percent.

- Non-occupational classroom training was made available to considerably fewer participants than were enrolled in other types of training (less than 20 percent of all adults).

- Classroom training, primarily skills training, is by far the largest category of training expenditure.

- The majority of SDAs did not plan to significantly change the training mix in this year's adult and youth programs.

- One-third of all participants are expected to be enrolled in two or more major program components (e.g., OJT, classroom training). While the average length of training under Title IIA programs was 12.5 weeks and 12.8 weeks for adults and youth, respectively, considerably less than the average length of training under CETA, this level of sequenced training indicates that a substantial number of enrollees will receive more in-depth training. SDA interviewees also anticipated that participants would be enrolled for a longer period during the current year -- a time period closer to the CETA experience.

PRIVATE INDUSTRY COUNCIL ORGANIZATION AND ACTIVITIES

- The average PIC continued to consist of 25 members, with 14 of those members from the business community. Almost two-thirds of the business members were from businesses of less than 100 employees. Nationwide, there is equal representation by chief executive officers and other business executives.

- Attendance by all members was good and turnover was low, with turnover usually resulting from personal reasons and not from frustration or dissatisfaction with JTPA.

- Both PIC chairs and SDA staff were consistent in their positive assessment of the PIC's role and impact, reinforcing the fact that both the public and private sectors had generally developed mutually satisfactory relationships.

- Business involvement appears to have increased since the beginning of JTPA with the PICs having more substantial functions in many areas compared to the transition year.

- About 250 PICs are now incorporated -- over 100 more than last year. Incorporation does not seem to have a significant effect on program results, but is associated with greater PIC involvement in certain key SDA activities.

STATE AND LOCAL RELATIONS

- About half of the SDA administrators indicated that they were dissatisfied with state JTPA administration. However, two-thirds of those dissatisfied are concentrated in 12 states.

- PIC chair views are at best mixed concerning the effectiveness of the State Job Training Coordinating Council in developing statewide policies, in making a difference in local JTPA programs, or in involving business people with JTPA.

- States have designed a variety of individual reporting systems for their SDAs; the amount and type of information requested varies considerably as does its value to SDA day-to-day management of the program.

INTRODUCTION

On June 30, 1984, the local jurisdictions responsible for administering the Job Training Partnership Act (JTPA) completed their transition year and entered into their first full year of operation. Shortly thereafter, the National Alliance of Business (NAB) undertook two major data collection projects: 1) a comprehensive survey of the 593 service delivery areas responsible for the provision of federally-funded employment and training programs, and 2) a limited survey of a sample of private industry council chairs.

A total of 576, or 97 percent, of the service delivery areas (SDAs) participated in the project.[1] NAB's 1984 survey of the local jurisdictions is the only study that sought to collect a variety of data on all service delivery areas and private industry councils (PICs). Eighty-three PIC chairs, 14 percent of the total, responded to the PIC chair survey. Both surveys were funded by the U.S. Department of Labor, Employment and Training Administration, and other organizations and were administered by telephone during a three month period (July-September, 1984) utilizing structured questionnaires.

METHODOLOGY

The SDA survey instrument included 93 questions and covered five major areas: general administrative issues including service delivery area arrangements and training activities, SDA performance, private industry council organization and activities, state/local relationships, and participant characteristics and termination information. An introductory letter explaining the purpose of the survey and a copy of the questionnaire were sent to the prospective interviewees one to two weeks prior to contact.

These structured interviews were conducted by NAB national office staff with key staff of SDA administrative entities -- the individuals actively involved in the planning and administration of the local program.[2] While more than one individual at the SDA often participated in the survey, there was usually one primary or major interviewee. SDA or PIC directors were by far the most common primary respondents. Specifically, almost two-thirds (62%) of the key respondents were SDA or PIC directors, while the second largest category of primary interviewees was SDA or PIC planners (18%). SDA or PIC assistant and associate directors made up the third largest group of major respondents (10%). Most interviews took one hour to complete.

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[1]In 15 of the 576 SDAs, only management data which are required to be reported to the federal government were included (e.g., participant characteristic and termination data). Most of the SDAs on which no data are included are in the U.S. oversees territories. Copies of the SDA and PIC chair questionnaires may be obtained by calling the NAB Clearinghouse (202) 289-2910.

[2]A majority of the administrative entities are cities, counties, or consortia of local government; the remainder are PICs or other organizations (e.g., educational institutions, private non-profits, community-based organizations, state governments).

Because of the major role of the private sector in JTPA, the National Alliance of Business sought, through a separate survey, the perceptions and insights of PIC chairs after their first year's experience in their new capacity as an equal partner with government. (PIC chairs are required by law to be representatives of private business.) PIC chairs were randomly selected from an alphabetical list of all PIC chairs and were interviewed by business people on loan to NAB.[3]

The PIC chair survey was undertaken during the same time frame and followed the same methodology as the larger SDA study. That questionnaire, however, was much shorter and focused on fewer areas of inquiry; it comprised 21 questions and was designed to elicit information in areas where PIC chairs would be expected to be most knowledgeable (e.g., level of PIC involvement in SDA decision-making) or where PIC member opinions are valuable in understanding the functioning of JTPA (e.g., PIC chair satisfaction with the PIC role).

This report is based primarily on the information gathered, computerized, and analyzed on the responding 576 SDAs. Relevant findings from NAB's PIC chair survey are also included and are compared, where appropriate, to the results of the SDA survey. While the majority of data collected from both the SDA and the PIC chair surveys was objective (e.g., incorporation status of the PIC, types of service providers) some of the questions, particularly in the PIC chair survey, required responses which were highly subjective and relied primarily on the respondent's perceptions and beliefs. Thus, some of the information must be understood as reflecting solely the opinions of the interviewees.

Furthermore, although this report is based primarily on an analysis of the interviewees' responses, some data have been augmented by more detailed or anecdotal information provided voluntarily by the respondents. Also, when information on the operation of JTPA's predecessor, the Comprehensive Employment and Training Act (CETA), was relevant and accessible, or where findings gleaned from NAB's 1983 survey of all SDAs were useful, they were included and compared to data collected this year on JTPA. Hence, this publication provides a comprehensive look at the new employment and training system and offers many excellent insights into how JTPA is functioning throughout the country.

HIGHLIGHTS

The results of both surveys indicate that, for the most part, a stable, functioning job training system is in place and the private sector is indeed in active partnership with local government. Although information was not collected on the specific degree of involvement in the system by education, the Employment Service, community-based organizations, and other interest groups, a substantial number of SDAs are working with these agencies. Most SDAs offer a broad mix of training activities and a solid majority of participants are getting jobs at the end of training. At the same time, service to such groups as high school dropouts and welfare recipients appears to be as high as that under the last year of CETA's core training program.

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[3]Although the responses were not evenly distributed geographically, every region of the country was represented among the PIC chairs.

On the other hand, many SDAs indicate they are having difficulty maintaining the quality of services because of limited administrative funds. There is also some concern that the provision of training to certain target groups is being hampered by the restrictions on cash payments to participants; and while most local jurisdictions offer a range of supportive services, such services are usually only available to enrollees who meet particular requirements. Also, many expressed dissatisfaction with the role and policies established by the state and indicated that the State Job Training Coordinating Council is not playing a particularly useful role in the implementation of JTPA. Despite these areas of concern, however, both the hard data and the information gleaned from questions which required highly subjective responses indicate that JTPA has gained a solid footing in its first year of operation and is generally functioning effectively in most SDAs around the country.

GENERAL ADMINISTRATIVE ISSUES

Summary of Findings

- *Administrative structures as well as geographic configurations were stable. Although a year ago many SDAs indicated that they expected to change their grant recipients or administrative entities, few changes were made.*

- *The SDAs rely on many agencies to provide outreach and intake and most indicated that they do not have a policy of giving preference to the "hard-to-serve" or the "easier-to-serve." About one-third of the SDAs require program operators, many of whom are under performance contracts, to do a portion, if not all, of the outreach and intake functions.*

- *In relying on a variety of sources for training, the majority of the SDAs heavily use both public education institutions and the private sector for training. Community-based organizations are the third most frequently used entity.*

- *About 40 percent of the SDAs use performance contracts for over half of their training programs.*

- *Involvement of community-based organizations in JTPA has remained stable and appears to be increasing slightly. The majority of participants in most SDAs, however, do not receive training or services from such entities.*

- *The supportive services most commonly provided under CETA continue to be provided under JTPA, but are usually restricted to those most in need or in certain types of training programs. Third parties provide supportive services in a number of sites at no cost to JTPA.*

- *Unlike CETA, in which most prime sponsors paid hourly stipends and cash payments, only about half of all SDAs provide either stipends or cash payments and these are usually restricted to participants meeting certain criteria.*

- *State set-aside and Title III funds generally by-passed the SDAs and usually added very little to their funding levels from Titles IIA and B. A growing number of SDAs, almost one-third, sought and received other non-federal funding.*

- *The overwhelming majority of all SDAs indicated that limits on administrative costs would have a negative impact on their management and conduct of JTPA. Over half of all SDAs had less than $255,000 in Title IIA money for administration.*

- *The majority of SDAs had written agreements with the Employment Service, secondary and post-secondary education agencies/*

institutions, welfare agencies, vocational rehabilitation entities, and economic development agencies.

Overall Administrative Structure

The overall administrative structure of local service delivery areas remained stable as JTPA moved into its second year of operation. Very few SDAs changed their geographic boundaries, grant recipient, or program administrator in the first year. Geographic boundaries were reconfigured in only nine of the 576 local jurisdictions (1.6%) and affected SDAs in only six states.

That so few SDAs changed their geographic boundaries is not surprising since the law states that governors cannot redesignate SDA boundaries more frequently than every two years, and that all reconfigurations must be made at least four months before the beginning of the program year. Thus, in those cases where geographic boundaries did change, such changes reflected the resolution of legal questions or appeals that had been pending, usually from the initial designation process, rather than from a new assessment of the SDA's ability to effectively serve the community.

Only six percent of the SDAs changed their grant recipient while five percent changed their program administrator. Where there was a change in the program administrator or grant recipient, that change usually resulted in the PIC being designated to serve in these capacities. Of the 32 new grant recipients, 18 are PICs, seven are local government agencies, three are private nonprofit organizations, three are educational institutions, and one is a community-based organization. Two-thirds of the new program administrators (19 out of 28) are PICs. The remaining new program administrators are local governments (5), educational agencies (2), and community-based organizations (2). The distribution of grant recipients and program administrators by type of entity is shown in Table I.

TABLE I
DISTRIBUTION OF GRANT RECIPIENTS (GR) AND PROGRAM ADMINISTRATORS (PA)

Entity	GR and PA	GR only	PA only	# of SDAs	% of SDAs	% of SDAs a Year ago
Local Government	283	79	41	403	69.1	71.2
PIC	57	15	29	101	17.3	15.1
State/Governor	36	4	4	44	7.6	8.2
Educational Institutions	27	3	3	33	5.7	5.3
Private Nonprofit	26	4	0	30	5.2	4.6
CBO	22	1	4	27	4.6	4.5
Other	22	5	30	57	9.7	10.5
	473	111	111			
	(81.1%)	(19%)	(19%)			

The relatively small number of changes in the grant recipient or program administrator was somewhat surprising. During NAB's first survey of SDAs in 1983, many interviewees indicated that time pressures often forced the local program to select a grant recipient or program administrator without giving proper consideration to all the options. Many of last year's respondents expected the SDA to make changes in their administering agencies during, or at the completion of, the transition year. That so few changes were made may indicate that PICs and local governments are generally satisfied with the relationships that were built and with the performance of the administrative entities that were initially selected.

SDA Funding Levels

JTPA requires that 78 percent of the Title IIA funds (core training money) be allocated to the service delivery areas through formula by the states. The remaining 22 percent of the Title IIA funds are retained by the governor for various specific programs (i.e., 3% for older worker training programs; 6% for performance incentives and technical assistance; 8% for education linkages; and 5% for state-level administration and other activities).

Like the majority of Title IIA funds, all funds under Title IIB (summer youth money) must be passed through by the states to the service delivery areas according to formula. Title III funds, on the other hand, go directly to the state for dislocated worker programs. States may choose to use the SDAs to operate Title III programs, but are not required to do so. The SDAs may also receive a limited amount of other non-JTPA federal funds as well as raise funds from other government or private sources for use in job training programs. In sum, while all jurisdictions receive Title IIA and Title IIB funds, the availability and use of other funds vary considerably from SDA to SDA.

Information was collected on the amount of various JTPA funds received by the SDAs for the program year which began July 1, 1984. As expected, the typical service delivery area received the greatest amount of money through its Title IIA allocation, and its second largest through Title IIB. On average, SDAs received $2.5 million in Title IIA funds and $1.3 million in Title IIB. The level of funding, however, among the SDAs ranged widely. For example, under Title IIA, it ranges from a low of $42,000 to a high of $46 million, which means that the largest Title IIA allocation is 1,100 times greater than the smallest Title IIA allocation. However, 90 percent of the SDAs have less than $4.5 million in Title IIA funds and half of the local areas have less than $1.7 million.

A review of the state set-aside and Title III funds reveals that substantial amounts of these funds bypassed the local jurisdictions and did not significantly increase SDA funding levels.[4] As shown in Table II, only 58 percent of the SDAs indicated that they received any eight percent education linkages funds. These funds often go directly from the governor's office to state or local education agencies. SDAs receiving eight percent funds averaged $186,000. However, fifty percent of these jurisdictions received less than $47,000 from this state set-aside.

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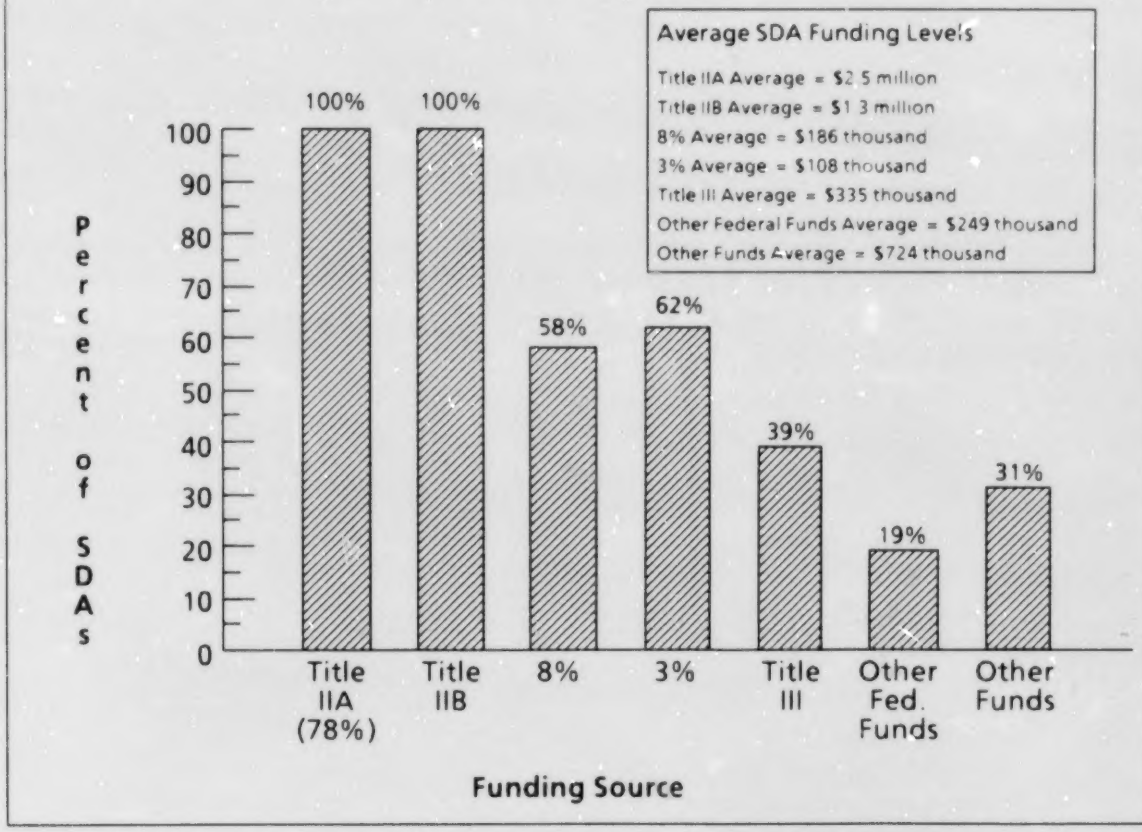
[4]Findings with respect to the six percent funds are not included since many states had not decided how they would use this state set-aside at the time SDA administrators were interviewed.

TABLE II

SOURCE OF SDA FUNDS



Slightly more SDAs reported receiving three percent older worker money than did those who received eight percent funds; 62 percent of the SDAs received some three percent funds. When funds were not funneled through the SDAs, they were often given to the state or area agencies on aging. The reported funding for SDAs receiving such funds ranged from a low of $2,000 to a high of $1.4 million, with an average of $108,000 among recipient agencies.

Only 39 percent of the SDAs received Title III dislocated worker funds. Many SDAs did not receive any Title III funds since they usually went to special projects targeted for areas with a high concentration of dislocated workers. Even in these areas, however, states often bypassed the SDAs. The typical SDA which received Title III funds received $335,000, with $11,000 being the smallest amount received by an SDA and $2.5 million being the largest.

Only 19 percent of the SDAs received any other federal funds (e.g., economic development monies, vocational education funds, adult education grants). Those SDAs which received these federal funds averaged $249,000; individual SDAs received from $3,000 to $2.3 million.

Thirty-one percent of the SDAs received non-federal funds from other state and local government programs or through private contributions. (Some local governments appropriate special funds for specific employment-related programs such as summer jobs for youth.) Although $724,000 is the average for those who received such funds, the range extends from $1,000 to $32 million with the higher levels usually resulting from special local government programs. However, more than half the SDAs with non-federal monies had received less than $100,000 in such funds; 90 percent of the SDAs had received less than $1.2 million at the time of interview.

Nearly twice as many incorporated private industry councils received non-federal funds as did unincorporated PICs; however, among those who received such funds, incorporation had little to do with the amount. The correlation between incorporation and receipt of non-federal funds is not surprising since a number of interviewees stated that the PIC's decision to raise private funds was a factor in the decision to incorporate. Furthermore, as indicated later, incorporated PICs are twice as likely to be actively involved in fundraising activities as unincorporated councils.

Geographic Types and Size of SDAs

Respondents were asked if the area included in the SDA's boundaries was predominately rural, urban, suburban, or mixed.[5] As illustrated in Table III, over one-third of the respondents (37%) classified their SDA as primarily rural while 16 percent of the interviewees indicated that their SDA was predominately urban (i.e., including a city with over 50,000 people). Only six percent of the interviewees believed their area was primarily suburban. The remaining SDA administrators typed their SDA as a combination: 13 percent each believed that their SDA was fairly equally divided between an urban and rural environment or was a mixture of all three types; eight percent stated that the local jurisdiction had a suburban and rural mixture; and six percent classified their SDA as being urban/suburban.

In spite of the fact that there was twice as many rural SDAs as urban, the total Title IIA monies for the program year beginning July 1, 1984 provided to the urban SDAs was nearly the same as the funds allocated to the rural areas ($346 million compared to $383 million). This means that, on average, an urban service delivery area received over twice as much Title IIA money as did its rural counterpart ($4.0 million vs $1.8 million). Together, the urban and rural jurisdictions accounted for more than half of the total amount of funds allocated for Title IIA programs this year (25% and 27%, respectively). Suburban SDAs, which make up six percent of all SDAs, were allocated almost six percent of the current Title IIA money ($77 million) for an average suburban SDA allocation of $2.2 million.

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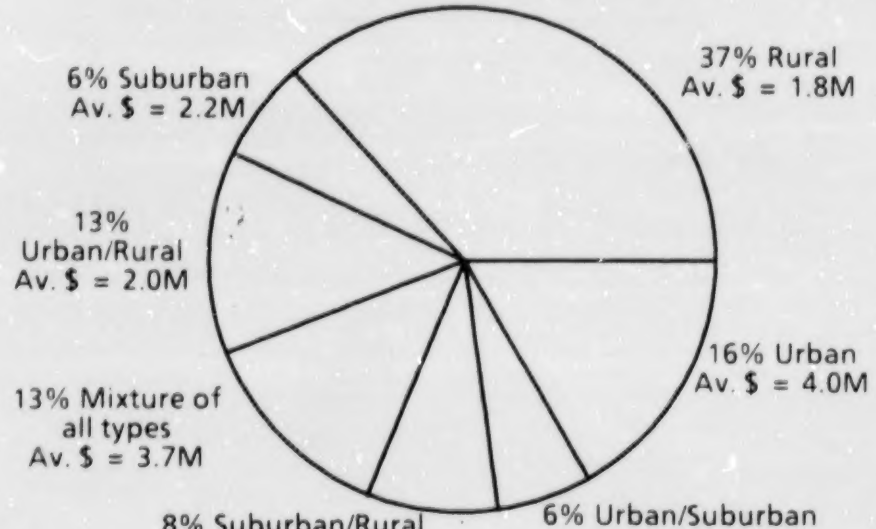
[5]Such classification was often dependent on the interviewee's perception of his area and does not necessarily coincide with the U.S. Bureau of Census definition.

TABLE III

GEOGRAPHIC DISTRIBUTION OF SDAS
WITH AVERAGE TITLE IIA ALLOCATIONS



The remaining geographic types of SDAs accounted for about 40 percent of all SDAs and 43 percent of the total Title IIA allocation for the 1984-85 program year. SDAs which were indicated as being a combination of all three types (urban/suburban/rural) received the largest portion of the remaining Title IIA funds (18.7% of the total, or $263 million). The typical SDA composed of all three types received $3.7 million. Local jurisdictions which are fairly equally divided between urban/rural, urban/suburban, and suburban/rural environments each accounted for 10.5 percent, 7.5 percent, and 6.0 percent of the total Title IIA allocation ($147 million, $104 million, and $84 million). The typical amount of Title IIA funds received by each type of SDA was: $2.0 million for urban/rural SDAs; $3.2 million for urban/suburban SDAs; and $1.9 million for suburban/rural SDAs.

Local Service Delivery Arrangements[6]

Outreach and Intake

Local SDAs are using a host of entities to provide participant outreach and intake services this year. Most SDAs (61%) use more than one type of entity to provide these services. The most widely used, however, is the SDA administrative entity itself; in 53 percent of the SDAs, the administrative agent is responsible for performing some or all

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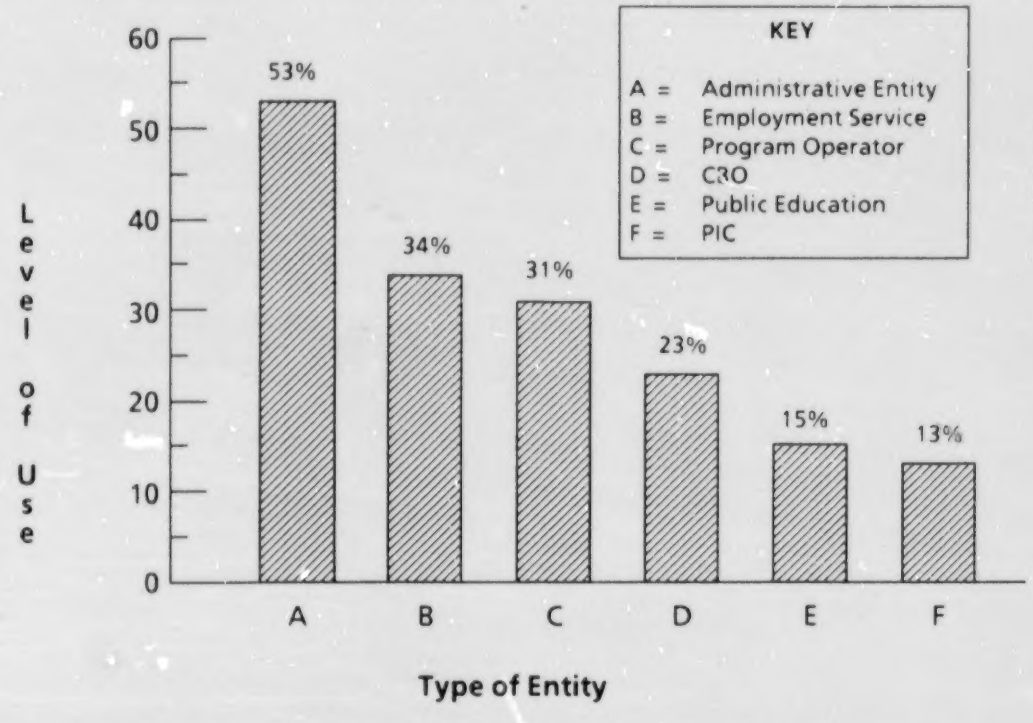
[6]In SDAs where more than four types of service deliverers are being used to provide client outreach and intake, training, or job placement activities, information was collected only on the largest four (i.e., those responsible for providing services to the greatest number of clients).

participant outreach and intake services. The administrative agent is not only the type of entity used by the greatest number of SDAs for outreach and intake activities, but even where others are used, the administrative entity is generally responsible for providing these services to the largest number of people. In two-thirds of the SDAs which utilize the administrative entity to provide outreach and intake to clients, that organization was named as having the primary responsibility.

As shown in Table IV, about one-third of the SDAs (31%) require all or most of their program operators to do outreach and intake in addition to their training responsibilities. Other frequently used entitites include: the Employment Service (34%), community-based organizations (23%), public education institutions (15%), and the PIC (13%).

TABLE IV

ENTITIES USED FOR OUTREACH AND INTAKE



All other entities used by less than 10% of SDAs

SDA interviewees were asked whether their SDA had a policy of giving preference to economically disadvantaged participants who would benefit most from short-term training over individuals that require more or longer assistance (i.e., whether it gave priority service to the traditionally "hard-to-serve" rather than "easier-to-serve"). More than three-quarters of the local jurisdictions (78%) do not target their services to either group. Specifically, over half of the SDAs have no set selection policy or serve a combination of "hard-to-serve" and "easier-to-serve" clients (29% and 28%,

respectively). Another 21 percent of the SDAs serve participants primarily on a first-come, first-served basis. The bulk of the remaining service delivery areas (nine percent of the total) have a policy of emphasizing services for the "hard-to-serve" (those who have the most needs) while only six percent of all SDAs intended to seek out clients with few barriers to employment.

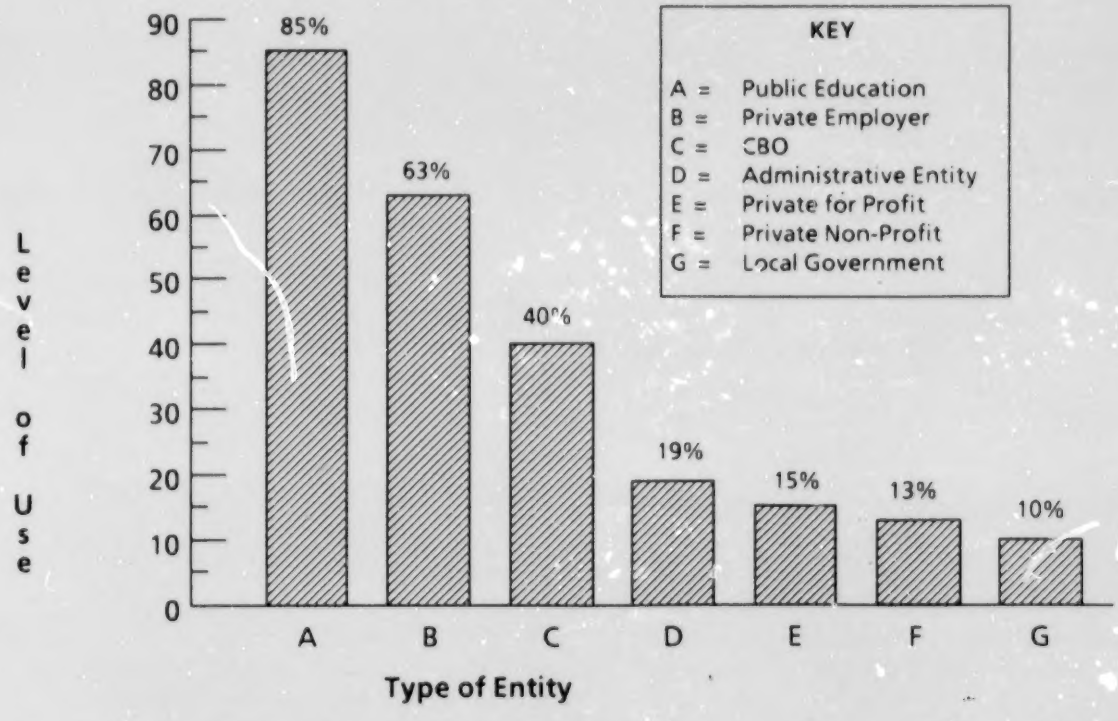
Some SDA administrators further commented that when entities other than the program administrator were required to perform the outreach and intake functions, the SDA provided them with clear guidelines as to what the make-up of their clients should be (e.g., the level of service to certain traditionally hard-to-serve groups should remain similar to that under FY '83 CETA programs).

Training

Most SDAs use a variety of entities to provide training to their participants -- only about five percent of the local jurisdictions use only one type of entity for training, while half of the SDAs involve at least four types of entities. The majority of the SDAs use both public education institutions and the private sector for providing training . (See Table V.) These findings support information discussed in later sections about the variety of training provided to participants.

TABLE V

ENTITIES USED FOR TRAINING



All other entities used by less than 10% of SDAs

By far, public education is the most common provider of training. Eighty-five percent of the SDAs use public vocational institutions, community colleges, and/or local high schools. Specifically, slightly more than two-thirds of the SDAs (68%) use the post-secondary public education system and 54 percent use secondary public education institutions. Furthermore, private-for-profit schools provide training in 30 percent of the SDAs.

Private employers, particularly small businesses, are the second major training agent; they provide training in approximately two-thirds (63%) of the SDAs, largely through on-the-job training contracts. Small and medium-sized employers (with fewer than 500 employees) have training responsibilities in 60 percent of the SDAs, while only 10 percent of the local jurisdictions contract with larger employers to provide training.

Community-based organizations, the third most common training entity, have agreements to provide training in two-fifths of the SDAs. The SDA administrative agent itself, non- educational private for-profit entities, private non-profit agencies, and local government agencies each provide training in less than one-fifth of the SDAs (19%, 15%, 13%, and 10%, respectively).

When comparing last year's 1983 survey data to this year's information, it appears that the same types of entities provided training during the transition and this year. Secondary and post-secondary public schools were the most widely used mechanism to provide training last year while small and medium-sized private employers were the second most commonly used training agent during the transition. Private-for-profit schools and CBOs tied for third place last year.

Furthermore, the SDA's geographic characteristics did not appear to influence the types of entities used for training in both years. Rural, urban, suburban, and mixed service delivery areas each generally relied upon a variety of training agents.

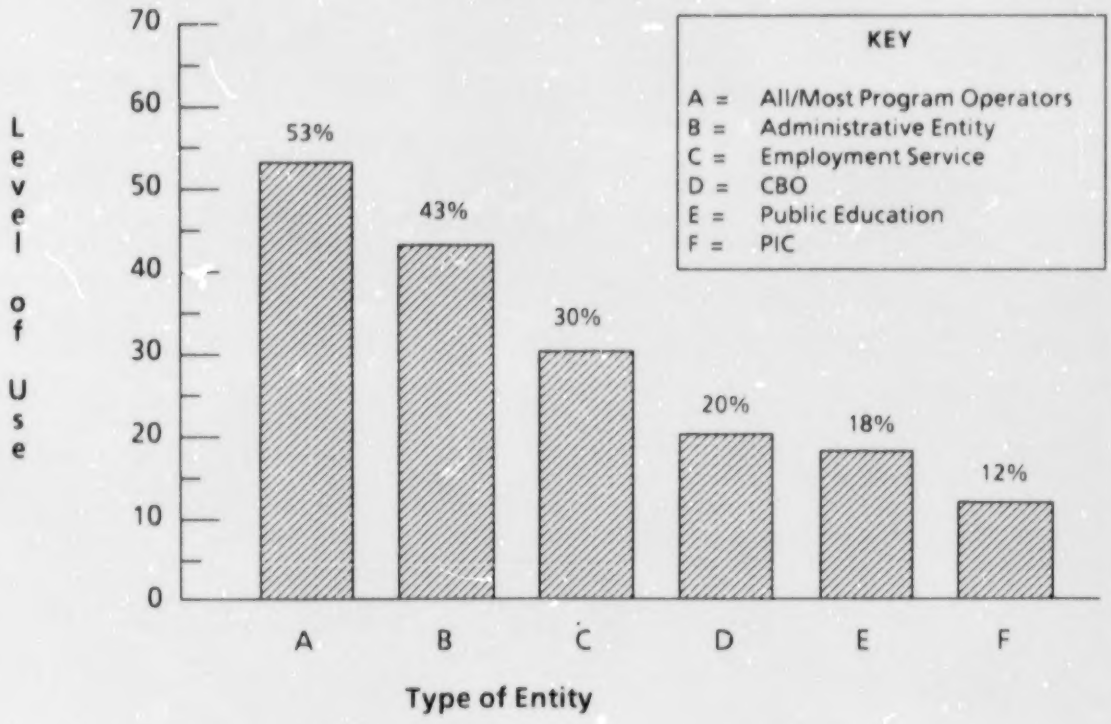
Job Placement

In most SDAs, several types of entities share the provision of job placement services. In only about one-third of the SDAs (35%) do job placement activities fall solely to one type of service provider. Information in Table VI illustrates that the contractors responsible for direct client training were the entities most frequently held responsible for job placement. Training program operators are responsible for job placement activities in over half of the SDAs (53%). This finding was expected given that almost 80 percent of or the SDAs are using some form of performance contracting, tying payment for training or services to client placement rates.

The SDA administrative entity provides job placement services in 43 percent of the SDAs, the Employment Service in 30 percent, and community-based organizations in 20 percent. Secondary and/or post-secondary public education institutions provide job placement services in 18 percent of the SDAs. PICs play a role in this function in 12 percent of the local programs.

TABLE VI

ENTITIES USED FOR JOB PLACEMENT



All other entities used by less than 10% of SDAs

Community-Based Organizations

The overwhelming majority of SDAs (81%) have contracted with at least one community- based organization (CBO) for training or services for the current year. The overall use of CBOs to provide training or services in the current year has increased slightly from an average of 3.8 CBOs per SDA in the transition year to the current year's average of four. The number of community-based organizations used by the SDAs varies widely, with as many as 100 CBOs involved in providing services or training for one SDA. Three-quarters of the SDAs, however, have four or fewer CBOs involved in their program, and 90 percent of the SDAs use less than 10 CBOs. Not suprisingly, urban areas tend to use far more CBOs than rural areas. On average an urban area uses 7.3 CBOs while a typical rural SDA uses three. SDAs comprised of a surburban/rural mixture, on average, use the fewest CBOs (1.7).

Less than one-fifth of the service delivery areas (19%) will use no CBOs to provide services or training this year as compared to 23 percent last year. One fifth of the SDAs not using CBOs this year are in rural areas which tend to have few or no available CBOs. In many cases, even when CBOs exist in rural areas, they are not set up to provide employment and training services and did not bid on JTPA contracts.

Relatively few of JTPA clients, however, will receive training or services from a CBO. Only 18 percent of the SDAs using community-based organizations are contracting with them for training or services for more than half their participants, and only four percent of the total are using them for all their enrollees. The majority of SDAs in which most of the enrollees are receiving services or training from a CBO are located in urban areas.

About one-quarter of the service delivery areas will use fewer CBOs this year as compared to last year, or none at all. The reasons most frequently provided by respondents for the decline or lack of CBO use in these SDAs include: CBOs do not provide the type of training or service required by the SDA (30%); a policy decision was made by the PIC or SDA to use other types of contractors (20%); no CBOs are located within the SDA's boundaries (16%); CBOs were viewed as poor performers (15%); and CBOs are not seen as cost-effective service providers (14%).

Performance Contracting

As noted earlier, almost four-fifths of the SDAs (78%) are employing some type of unit cost performance contracting for their training providers. (There is a wide variety of approaches to performance contracting, ranging from withholding a small part of the final payment to holding back the entire payment until the client is placed in a training-related job. In all cases, however, full payment can only be made upon a training-related placement.)

More SDAs are using performance contracting now than during the transition year. Information collected in NAB's 1983 survey indicated that close to two-thirds (64%) of all local programs intended to use this approach for some portion of the contracts developed for transitional year activities, compared to 80 percent of the SDAs this year.

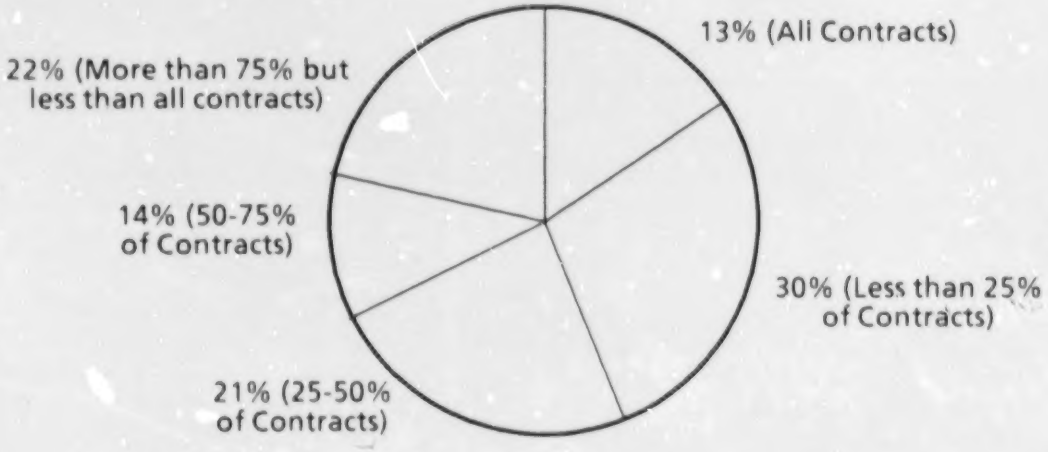
Data in Table VII show that one-third of the SDAs using performance contracting for their 1984-1985 programs are writing such contracts for at least 75 percent of their training programs (28% of all SDAs). In fact, 13 percent of the SDAs using performance contracting (10% of all SDAs) will use it for all their training programs. Another 14 percent of those using performance contracting, or 11 percent of all SDAs, will use this approach for one-half to three-quarters of their training contracts. Thus, half of the SDAs using this contracting method (39% of all SDAs) will use performance contracts for the majority of their contracts.

Supportive Services and Allowances

To maximize the amount of funds under the Act devoted to direct training activities for participants, JTPA requires that 70 percent of each SDA's allocation under Title IIA be spent on training. The remaining 30 percent of funds is divided between a maximum of 15 percent for administrative costs and the remainder for supportive services, wages, and allowances. The legislation allows a wide range of supportive services and allowances to be provided to enrollees.

TABLE VII

PERFORMANCE CONTRACTING*


13% (All Contracts)
22% (More than 75% but less than all contracts)
14% (50-75% of Contracts)
30% (Less than 25% of Contracts)
21% (25-50% of Contracts)

* Chart depicts breakdown of only those SDAs utilizing performance contracting (78% of SDAs)

Supportive Services

The vast majority of SDAs provide clients with personal and/or vocational counseling (90%), transportation assistance (90%), and child care assistance (82%). More than half of the SDAs (56%) provide health care assistance. However, most service delivery areas provide one or more of these supportive services only to particular enrollees (e.g., those who demonstrate substantial need or are in a particular training program) or only for a short period of time. Specifically:

- Nearly three-quarters of all SDAs (73%) provide some type of counseling to most or all of their clients without restriction. The bulk of the remainder (11% of all SDAs) provide it only to those who demonstrate substantial need.[7]

- While most SDAs provide some transportation aid, only 31 percent of the SDAs make it available to all their participants. One-quarter of all SDAs require that the participant demonstrate substantial need while approximately one-third (32%) of all SDAs restrict transportation assistance to participants in certain types of training

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[7]The large number of SDAs providing vocational/personal counseling may be attributed to the fact that such services are often part of the SDA's standard assessment system. When such counseling is part of the normal assessment process, it may be paid for out of the 70 percent training money rather than the 15 percent usually set-aside to cover costs associated with supportive services. Data were not gathered on the number of SDAs which provide counseling solely as a supportive service.

programs. (Enrollees in on-the-job training programs, for example, are often not eligible for this service since they receive wages, and therefore can cover their own transportation costs.)

- One-quarter of all SDAs provide child care without restriction to all clients who want it; another 28 percent offer it only to those who demonstrate substantial need; and 17 percent limit it to those in specific training programs. Fourteen percent of all the SDA respondents indicated that child care was provided to JTPA enrollees by a third party through arrangement with, but at no cost to, the SDA. (Even though a number of SDAs do not provide child care assistance, or only provide it to a limited number of participants, many respondents in these local programs indicated that JTPA enrollees were often eligible for such services through other agencies. For example, welfare recipients in some cases are automatically eligible for child care assistance from the state.)

  In total 82 percent of the SDAs are providing child care services themselves, or through agreements with other organizations; this is not surprising given that over one-quarter of JTPA participants (27%) terminating from Title IIA programs during the transition year were welfare recipients, many of whom were receiving benefits and services under Aid to Families with Dependent Children (AFDC) during their participation in the program.

- Payment or reimbursement for health-related needs is usually available only in emergency situations, or in those cases where such services are necessary for obtaining or keeping a job. In no SDAs did the provision of health care assistance mean the purchase of health insurance. The two most common types of health care assistance provided by local employment and training systems were physical exams required as a prerequisite for obtaining certain jobs and the purchase of glasses.

Almost one-fourth (23%) of all the SDAs provide additional supportive services. Such assistance generally falls into one of the following three categories: special clothing, uniforms, or tools required for obtaining or succeeding in a job; meal reimbursement or allowance; and emergency short-term housing assistance. These types of supportive services increase an SDA's ability to serve some of those who are in greatest need.

Hourly Stipends/Cash Payments

Over half of the SDAs (56%) provide hourly stipends and/or cash payments to their participants.[8] Of these service delivery areas, 43 (8% of all SDAs) provide both cash payments and hourly stipends to at least some of the enrollees. Such payments, how-

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[8]There is no clear distinction between hourly stipends and cash payments. However, interviewees usually indicated that cash payments are substantially lower than hourly stipends. A figure often quoted by respondents for hourly stipends was the minimum wage, while $30 per week was frequently cited as the average cash payment.

ever, are usually provided with restrictions (e.g., only for in-school youth work experience or for those who demonstrate substantial need). In less than two percent of all SDAs are hourly stipends provided to all participants. Other types of cash payments are provided to all enrollees in a slightly higher percentage of all SDAs (5%).

In addition to the two percent providing stipends to all, another 20 percent of the local programs provide hourly stipends to some participants. In 64 percent of the SDAs which provide hourly stipends (14% of the total) only those individuals enrolled in certain training programs are eligible to receive this assistance. The bulk of the remaining SDAs which provide hourly stipends (26%, or 6% of all SDAs) limit them by policy to participants who demonstrate substantial need.

Many SDAs use cash payments instead of hourly stipends to subsidize participants. Forty- one percent of all SDAs provide cash payments on a weekly or other scheduled basis, usually with restrictions. Specifically, half of the SDAs providing cash payments restrict them to participants in certain types of training programs (e.g., on-the-job training enrollees are usually not eligible since they receive wages) while another 42 percent of these SDAs (17% of the total) provide them only to those who demonstrate substantial need.

Administrative Cost Limitation

Eighty-eight percent of the SDA respondents thought the 15 percent limitation on administrative costs had had or would have a substantial impact on the SDA's activities, administrative structure, and/or staff. Specifically, 81 percent indicated that the cap on administrative costs had an impact on some aspect of the program in the transition year; an additional seven percent believed the impact of the limitation was not significant last year but would be this year. Generally, those respondents who stated that the 15 percent limitation had no significant impact last year, but thought that it would this year, attributed the difference to CETA carry-over funds and special PIC planning grants -- funds available only in the transition year.

Almost all consequences of the 15 percent limitation were seen as negative. Of the four most commonly mentioned effects, the only one generally viewed as neutral or positive was the increase in performance contracts (28% of all SDAs). The three remaining impacts included: a reduction in specialization among staff positions (33% of all SDAs), decreased monitoring and evaluation activities (29% of all SDAs), and fewer staff (27% of all SDAs). Reduction in such areas as staff development and training, employment generating activities, and planning were also frequently cited (14%, 12%, and 11%, respectively, of all SDAs).

That so large a percentage of the total number of SDA respondents felt that the 15 percent limitation on administrative expenses had had, or would have, a negative impact on the SDA is not surprising given that half the SDAs receive less than $1.7 million in Title IIA funds (the funding source that makes up the bulk of the money in almost all of the SDAs). This means that half of the SDAs have less than $255,000 to spend for administration of their major program.

Linkages

Numerous provisions in the legislation underscore the philosophy that job training programs must be effectively linked with other human resource programs. In fact, JTPA mandates that publicly-funded employment and training activities be coordinated not only with the vocational education community, but with education in general, as

well as with the Employment Service, public assistance agencies, programs for rehabilitation of the handicapped, economic development organizations, and other entities that the governor determines to have a direct impact on job training or human resource utilization within the state.

Because of the importance placed by law on linking JTPA activities and services with those provided by other human resource organizations, NAB asked SDA interviewees what types of written agreements for program year 1984 had been developed between the SDA and various human resource agencies.[9] Such written agreements may be financial, non- financial, or both. The financial agreements were most often contracts for services, rather than joint efforts with both parties contributing funds. Non-financial agreements were often for mutual referral of participants and, in a number of instances, substantive services were provided by both parties without an exchange of funds.

As shown in Table VIII, the Employment Service was the agency with which the largest number of SDAs had established formal agreements. Ninety-three percent of the local programs had developed written agreements with local Employment Service offices --46 percent of the SDAs had non-financial agreements; 21 percent had financial arrangements; and 25 percent had both types. A large portion of these agreements were for recruitment, eligibility determination, and referral of participants to JTPA training.

Agreements with post-secondary schools and secondary education institutions were the second and third most common types. Eighty-six percent of the SDAs had written agreements with post-secondary schools and 82 percent had them with secondary education institutions. The plurality of such agreements were solely financial (50% for post-secondary; 40% for secondary). Slightly less than one-quarter of the SDAs had both financial and non-financial agreements with secondary and/or post-secondary education agencies (23% for post-secondary; 21% for secondary), while 13 percent had only non-financial agreements with post-secondary education institutions and 21 percent had similar arrangements with secondary schools.

About two-thirds of the SDAs had written agreements with welfare and/or vocational rehabilitation agencies. Specifically, 68 percent of the service delivery areas had agreements to work with welfare entities and a slightly smaller percentage (63%) had linkages with vocational rehabilitation agencies. The bulk of these agreements were non- financial in nature (56% for welfare; 48% for vocational rehabilitation).

Slightly more than half (52%) of the SDAs have agreements with economic development agencies, the majority of which were non-financial. Less than half of the local jurisdictions had developed contracts with unemployment insurance agencies or non-specified "other" types of entities (46% and 27%, respectively). Only seven percent of the agreements with unemployment insurance agencies or other non-specified agencies were financial.

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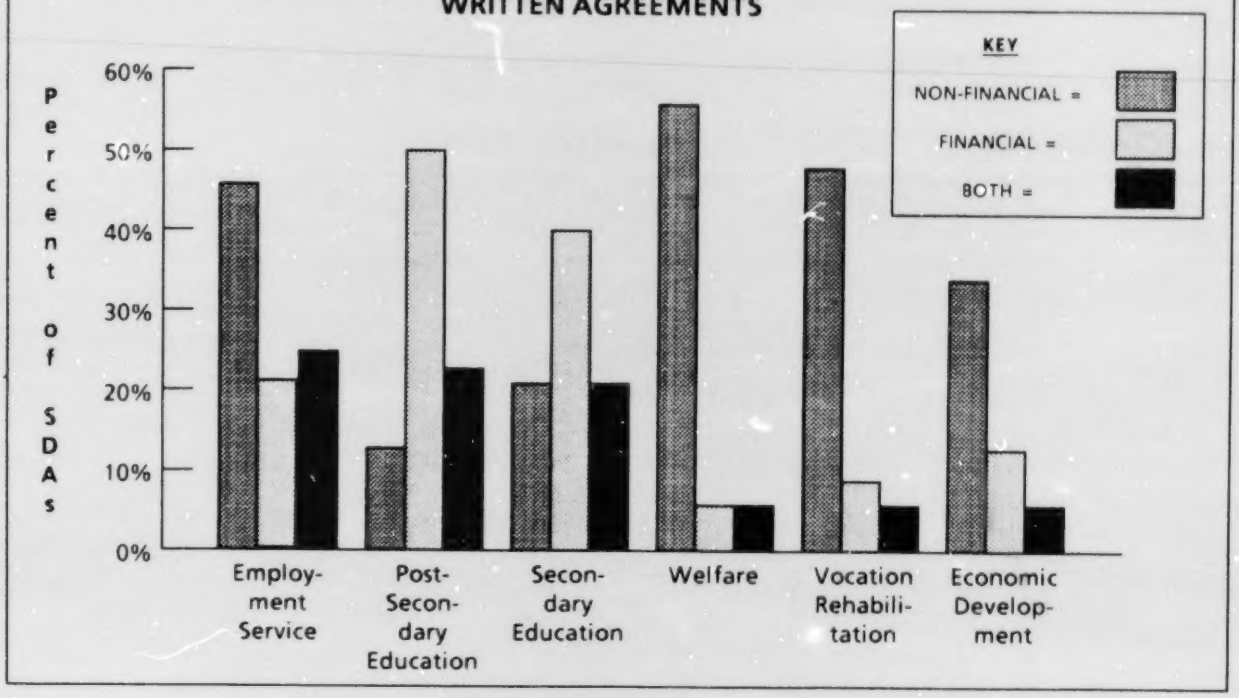
[9]In an effort to identify actual working relationships, the respondents were asked to list only those agreements which are written, even though substantive informal agreements for cooperation sometimes exist. Nevertheless, some of the written agreements are only pro forma and may not indicate any real efforts to collaborate. For example, some states require that all SDAs draw up agreements with selected agencies whether they intend to actually work together or not.

TABLE VIII

WRITTEN AGREEMENTS



SDA PERFORMANCE

Summary of Findings

- *JTPA Title IIA served approximately 600,000 individuals during the transition year. On average, 667 participants terminated from the typical SDA; 416 of these individuals found jobs..*

- *Although less than half of the SDAs surveyed (44%) met all of their performance standards during the transition year, five of the seven standards were met by at least 80 percent of the SDAs. On a national basis, four national performance standards were surpassed (three placement rate standards and adult cost per placement rate) and one was barely missed (adult wage at placement). The youth positive termination standard was not met. (The standard for youth wage at placement was not set.)*

- *Characteristics of those who terminated under JTPA Title IIA are very similar to those who terminated under CETA (Title IIBC, FY '83). For example, the level of service to welfare recipients was the same under the core JTPA and CETA programs.*

- *Almost half of the SDAs had trouble meeting their youth expenditure goal, but SDAs gave no single overriding explanation for the problem. While certain restrictions in the legislation may have stymied some SDAs, many others cited programmatic issues such as slow start-up and inadequate marketing.*

- *Most SDAs met or surpassed the percentage of welfare recipients the law required them to serve.*

- *After youth and welfare recipients, SDAs most often targeted high school drop-outs and minorities.*

Overall Performance

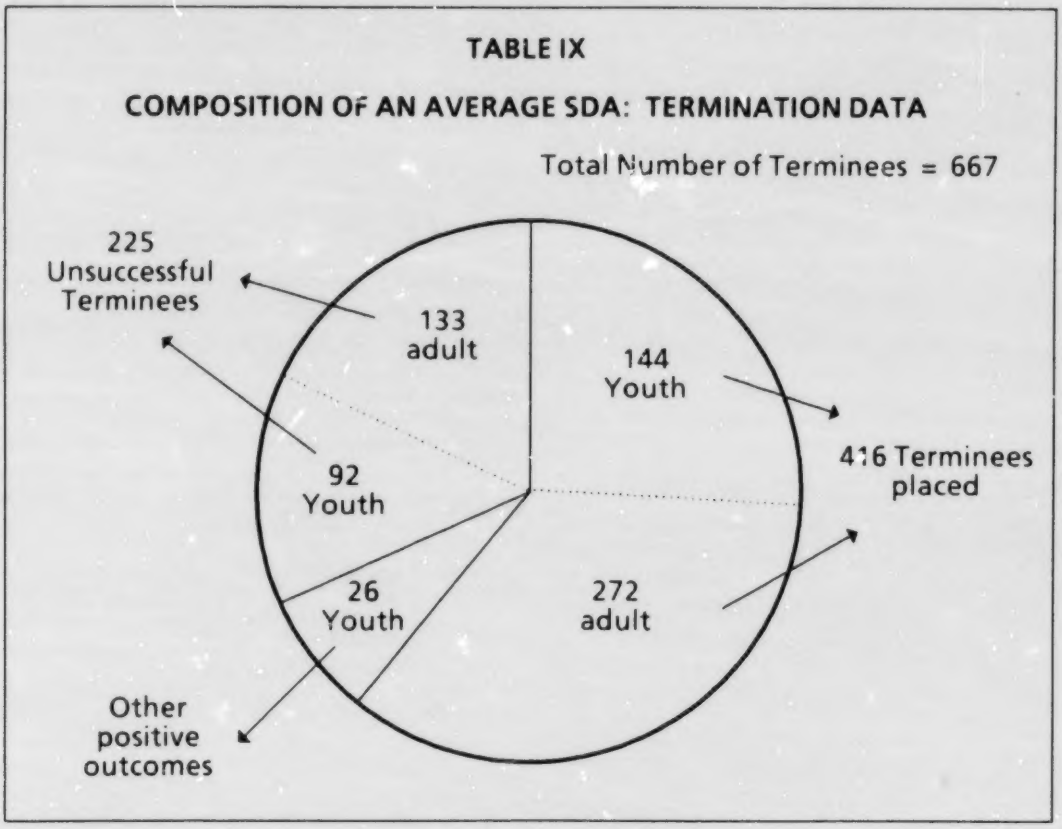
Approximately 600,000 individuals (360,000 adults and 240,000 youths) received employment and training services under JTPA Title IIA during the nine-month transition year. Although the average SDA served a total of 1,058 individuals (635 adults and 423 youth) the number of participants served by the individual SDAs varied widely. For example, four percent of the SDAs enrolled less than 100 adults and four percent enrolled more than 1,750 adults. Half the SDAs served 420 or fewer adults and less than 270 youths during the nine-month transition period.

The average service delivery area planned on serving about one-third more participants in this year's Title IIA programs than were served in the transition period. This means that the typical local program will enroll about 1,400 individuals. This fairly sizeable change in the overall level of enrollment largely reflects the increase from a nine-month to a 12- month program year. The ratio of adults to youth -- 60 percent to 40 percent, respectively -- is expected to remain the same for both years. Since many SDAs had problems meeting the requirement to spend 40 percent of Title IIA funds on youth even when 40 percent of their enrollees were youths, this ratio may indicate continuing shortfalls.

Close to two-thirds of the participants (63%) terminated from JTPA Title IIA programs during the start-up period. An average of 667 participants left the program from the typical SDA; 416 of these terminees found jobs. An additional 26 youths achieved other positive outcomes such as returning to school, entering another training program, or joining the military. The average wage for those finding employment was $4.56 per hour: $4.83 and $4.05 for adults and youth, respectively. The remaining 225 terminees out of the total 667 who terminated from transitional year JTPA Title IIA programs were "non- positive" terminees. (See Table IX.) Some of these individuals (133 adults; 92 youth) left the program early with no job prospects.

TABLE IX

COMPOSITION OF AN AVERAGE SDA: TERMINATION DATA



SDA interviewees were asked why they believed individuals left training before completing the program or finding a job. Over three-quarters of the respondents (77%) felt that the inability of the enrollee to resolve personal issues unrelated to JTPA training was a major factor in early and unsuccessful termination. In fact, almost half of the SDA administrators (45%) believed that this issue -- the enrollees' failure to cope with their personal affairs and take control of their lives -- was the primary reason for early termination. Such personal problems were diverse and ranged from marital discord to poor self-esteem to inability to get to training on time. Although the most common reason for early termination was believed to be to the trainees' inability to resolve problems unrelated to JTPA, the two next most frequently mentioned reasons were directly influenced by the make-up of the program: insufficient stipends (53%) and lack of supportive services (23%).

Performance Standards

Respondents in 44 percent of the SDAs surveyed indicated that their SDAs met all of their performance standards for the transitional nine-month period. In many of the service delivery areas, however, respondents noted that the standards established for the SDA were adjusted, sometimes substantially, by the state from the 1984 national standards. Only two SDAs (less than one percent) failed to meet any of their standards.[10] Whether an SDA met all of its performance standards was not dependent upon whether the PIC was incorporated or whether the SDA was urban, suburban, rural or a mixture of geographic types.

Five of the seven performance standards were met by at least 80 percent of the SDAs: adult entered employment (90%); welfare entered employment (88%); youth entered employment (86%); adult cost per entered employment (84%); and adult average wage at placement (80%). Youth cost per entered employment was met by approximately three- quarters of the SDAs (76%). The youth positive termination rate appeared to be the hardest to achieve with only 72 percent of the SDAs meeting this standard.[11] Many respondents indicated that the relatively poor showing with respect to meeting their youth positive termination goal was due to the lack or late establishment of youth competencies by the SDA in the transition year.[12]

Average placement rates for total adults and welfare adults for the nine-month transition period were 66 percent and 54 percent, respectively. Youth achieved an entered employment rate of 54 percent and a positive termination rate of 65 percent. The adults had a non-positive termination rate of 34 percent; youths had a slightly higher non- positive termination rate (35%).

Under CETA, for Titles II BC for FY 1983, the adult placement rate was 47 percent while the youth placement rate was 31 percent -- both numbers substantially lower than those achieved during JTPA's first year of operation. As shown in Table X, for the transition period, the JTPA national performance standards were: adult placement rate (58%), welfare placement rate (41%), youth placement rate (41%), and youth positive termination rate (82%). Therefore, with the exception of the youth positive termination standard, the average SDA surpassed the national placement goals.

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[10] Respondents in 45, or 8 percent of the SDAs, did not know whether their SDA was successful in meeting any of their performance standards at the time they were interviewed. These SDAs were not used in the calculations.

[11] In NAB's initial summary release on survey findings, What's Happening with JTPA? Highlights of NAB's 1984 Survey Data, the percentage of SDAs which met one or more of their performance standards was inaccurately calculated and are higher than initially stated.

[12] Youth competencies are measures of success in employability development which must be established by the PIC (e.g., correctly filling out a job application, performing well in a job interview).

In spite of the high adult entered employment rate, on a national basis the average wage at placement for adults did not meet the JTPA standard ($4.90/hour). The average hourly wage for adult terminees at placement for the transition period was $4.83/hour. The youth average hourly wage was 79 cents per hour less -- $4.04 per hour. The average hourly wage for both youth and adults was $4.56 per hour. (No national standard was developed for youth terminating from last year's programs.) Fiscal year 1983 CETA data show that Title II BC terminees had an average hourly wage of $4.44 per hour. (There is no separate youth and adult breakdown for average hourly wage under CETA.) (See Table X.)

TABLE X

PERFORMANCE STANDARDS

	National Standard	JTPA	CETA
Adult placement rate	58%	66%	47%
Welfare placement rate	41%	54%	----
Youth placement rate	41%	54%	31%
Youth positive termination rate	82%	65%	----
Wage/adult	$4.90	$4.83 ↘	→ $4.44
Wage/youth	----	$4.04 ↗	
Cost/adult placement	$5,900	$4,297	----
Cost/youth positive termination	$4,900	$4,488	----

The average cost for each adult placement achieved in the 1983-84 program was $4,297; the average cost per youth positive termination was slightly higher: $4,488. (A cost per entered employment for adults of $5,900 and cost per youth positive termination of $4,900 were established as national performance standards for JTPA transition year programs.)[13]

Services To Target Groups

SDA interviewees were asked whether their SDA was having difficulty spending 40 percent of their Title IIA funds on youth, which was the national goal established by JTPA but subject to state adjustment for local circumstances. Almost half of the SDAs (270 or 48%) indicated that they were having trouble meeting their youth expenditure goal. Sixty of the 270 SDAs (22%, or 11% of all SDAs) which were having difficulty were required by the state to meet spending levels higher than the 40 percent overall goal of JTPA. However, 76 of the 270 SDAs (28%, or 14% of all SDAs) having difficulty had spending requirements of less than 40 percent.

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[13]Comparable cost data are not available for CETA terminees given major differences in program design between JTPA and its predecessor (e.g., the inclusion of large work experience programs which paid a minimum wage stipend to all enrollees was a common program operated under CETA). The national cost standards for JTPA's transition year, however, are based on CETA cost data and altered to take into account JTPA stipulations and emphasis. These cost standards may therefore be used as a rough figure against which JTPA data can be compared.

Interviewees in the SDAs having difficulty cited low youth program costs as the most common cause of the low youth expenditures (29%, or 14% of all SDAs). This was followed, in order of frequency, by lack of stipends (28%, or 14% of all SDAs), slow program start-up (27%, or 13% of all SDAs), and inadequate marketing to youth (21%, or 10% of all SDAs). It thus appears that no one factor can be attributed as the cause for the shortcoming. Furthermore, neither the geographic type of the SDA nor the overall performance of the SDA appeared to have significant impact upon an SDA's ability to meet its youth expenditure goal. As noted earlier, SDAs were not planning on changing their ratio of adults and youth served this year which may indicate continuing problems in meeting the 40 percent expenditure requirement.

Ninety-one percent of the respondents stated that welfare recipients had been served equal to, or higher than, their proportion of the eligible population. This is not surprising given that JTPA mandates that persons receiving payments under Aid to Families With Dependent Children (AFDC) who are able to work be served equitably. Also, since welfare recipients often have income other than that made available by the training system and often have access to non-JTPA funded supportive services such as child care, welfare clients may be less affected by the 15 percent limitation on supportive services including wages and stipends; they are, in fact, a ready-made source of participants for many SDAs.

In those few service delivery areas that were not able to serve welfare recipients according to their incidence in the population (9%), lack of adequate coordination or referrals from the welfare office was the most common reason for low welfare recipient enrollment (37%). Lack of stipends and insufficient marketing and outreach ranked as the second and third reasons (25% and 21%, respectively).

The overwhelming majority of interviewees (82%) indicated that their SDAs had specified target groups in addition to youth and welfare. Further, such SDAs usually specified more than one target group. High school dropouts and minorities were the two groups most often targeted (51% and 44% of all SDAs, respectively). Single heads of household and handicapped persons each received special outreach and intake efforts in about one-third of the SDAs.

Respondents were asked if the SDA was having difficulty enrolling any particular group. Forty-six percent of the interviewees indicated that the SDA was having difficulty enrolling members of at least one group. By far, older workers (those 55 years and older) were the most frequently cited group -- over half of those with difficulties (56%) were having trouble attracting older workers. This is one-quarter of all SDAs.

Client Characteristics

Information in Table XI reveals that the characteristics of participants terminating from JTPA Title IIA programs during the first nine-month period appear very similar to those of participants leaving FY '83 CETA Title II BC programs:

TABLE XI
CHARACTERISTICS OF TERMINEES

CHARACTERISTICS	TRANSITION YEAR TITLE IIA JTPA *	FY '83 TITLE BC CETA **
Females	48.1%	49.1%
Youth	39.0%	43.9% ***
Welfare	27.3%	27.3%
Limited English Speaking	4.3%	4.3%
Handicapped	7.3%	8.3%
Drop Outs	26.5%	25.6%
White (not Hispanic)	52.3%	51.1%
Hispanic	12.0%	11.3%
Black (not Hispanic)	32.1%	32.6%
Am. Ind. or Alaska Native	1.3%	1.3%
Asian or Pacific Islander	2.7%	3.4%

** Based on JTPA Annual Status Reports.*
*** Based on Report No. 94, Quarterly Summary of Participant Characteristics, U.S. Dept. of Labor, Employment and Training Administration, pp. 2443-4.*
**** Does not include Title IV of CETA which included substantial numbers of youth.*

Although the level of service to high school dropouts was slightly higher for participants terminating from JTPA Title IIA training programs than for those leaving FY '83 CETA Title IIBC programs, the level of service to high school graduates may, in fact, be greater under JTPA than under CETA. According to data based on the Job Training Longitudinal Survey (a sampling of JTPA participants in 194 SDAs) recently released by the Department of Labor, 62 percent of the enrollees participating in JTPA transition year programs were high school graduates compared to 57.4 percent of CETA FY '83 Title IIBC enrollees. An explanation for the difference is that there may be fewer in-school youth enrolled under JTPA than under CETA.

Unemployment Insurance Claimants

Until recently, participants in federal job training programs in most states could not continue to receive unemployment insurance benefits while in training because federal law required that recipients actively seek, and be available for work unless enrolled in a "state approved" training activity. The loss of benefits was not much of a problem under CETA since the majority of participants received stipends or wages. However, with JTPA's limit on stipends, and the prohibition on payment of wages, it was feared that many people receiving unemployment compensation would be discouraged from participating in federally-funded job training programs since they might lose their unemployment insurance benefits. As a result, Congress permitted unemployment compensation recipients who enrolled in JTPA dislocated worker programs to continue to receive their benefits while in training. JTPA also permits state unemployment benefits to be counted as part of the state match required for using federal funds.

It appears that most, if not all, states have changed their rules to allow JTPA enrollees to receive benefits while in training, at least on a case-by-case basis. Sixty percent of the SDA respondents said that participants in their program could automatically continue to get unemployment insurance benefits while in training; another 34 percent said that they could receive unemployment insurance benefits only on a case-by-case basis. Only five percent of the SDA respondents said that enrollees could not continue to receive benefits.

TRAINING ACTIVITIES

Summary of Findings

- *SDAs offer a well-balanced array of training activities. The percentage of enrollees participating in both OJT and classroom training has increased significantly over CETA, while work experience has decreased; yet, SDAs have avoided over-reliance on a single component. On-the-job, classroom skills training and pre- employment/motivational training each are expected to serve about 40 percent of all adult enrollees this year. Participants in multiple training activities account for the number exceeding 100 percent.*

- *Non-occupational classroom training was made available to considerably fewer participants than were enrolled in other types of training (less than 20 percent of all adults).*

- *Classroom training, primarily skills training, is by far the largest category of training expenditure.*

- *The majority of SDAs did not plan to significantly change the training mix in this year's adult and youth programs.*

- *One-third of all participants are expected to be enrolled in two or more major program components (e.g., OJT, classroom training). While the average length of training under Title IIA programs was 12.5 weeks and 12.8 weeks for adults and youth, respectively, considerably less than the average length of training under CETA, this level of sequenced training indicates that a substantial number of enrollees will receive more in-depth training. SDA interviewees also anticipated that participants would be enrolled for a longer period during the current year -- a time period closer to the CETA experience.*

Types of Training Offered

The overwhelming majority of SDAs have made a wide variety of training programs available to both adult and youth enrollees. All SDAs provide more than one kind of training for adults, and all but one SDA offers at least two types of training for youth. The overwhelming majority of SDAs have at least four different types of training available to their enrollees. Thus, almost all SDAs are offering a variety of training options and are not relying on a single, narrow approach. Almost all of the SDAs (at least 95 percent) offer classroom occupational skills training and a similar percentage provide on-the-job training. Non-occupational classroom training (e.g., basic education, GED, ESL) and motivational/pre-employment training were each provided by more than 80 percent of the SDAs.

In addition, at least 70 percent of the local jurisdictions offer structured self-directed job search programs, such as job clubs, to both youth and adult participants. Try-out employment, a new activity developed specifically for youth under JTPA, is being undertaken in almost two-thirds of the SDAs surveyed (62%), although the number of youth enrolled in these programs is low. Work experience is the only major activity that

differs significantly between the youth and adult population. Less than half of the jurisdictions (47 percent of the SDAs) have adult work experience programs, while 59 percent of the local jurisdictions offer this activity to youth.

Enrollment Levels in Various Types of Training

SDA respondents were asked to estimate the percentage of adult and youth participants expected to be enrolled in the SDA's major training programs this year (beginning July 1, 1984).[14] Enrollment in pre-employment/motivational training and classroom skills training in an occupational area ranked highest for both adult and youth clients, with on-the-job training a close third for adults. Participation in work experience programs ranked lowest for both groups. Although it is not possible to determine exact percentages, the information in the following table indicates that a great many participants are expected to be enrolled in more than one training activity. (See discussion on Sequenced/Coupled Training.) Table XII shows the profile of the typical SDA's distribution of enrollees among the various activities.

TABLE XII

1984-1985 PLANNED ENROLLMENT LEVELS

TYPE OF TRAINING	% TOTAL ADULT	% TOTAL YOUTH
Non-Occupational Classroom (e.g., basic education)	17	25
Pre-Employment/Motivational	40	48
Classroom Skills	40	31
Job Search	28	26
On-the-Job Training	38	25
Work Experience	6	17
Try Out Employment	--	14
Other	2	3

The percentages for both youth and adult total well above 100 which indicates that many SDAs are planning on enrolling participants in multiple training programs

Even though the data in Table XIII are not directly comparable, 30 percent of the participants in CETA FY '82 Title BC programs were in work experience while only six percent are expected to be enrolled in such JTPA Title IIA programs this year. (This substantial reduction in work experience reflects the limitations placed on this activity

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[14]These are planning estimates only and the quality of the responses vary significantly and depend on the way programs are planned in the SDA.

TABLE XIII

JTPA/CETA ENROLLMENT LEVELS BY ACTIVITY

TYPE OF TRAINING	PLANNED JTPA WEIGHTED AVERAGE *	CETA FY '82 TITLE IIBC **
Non-Occupational Classroom	12%	
Pre-Employment/Motivational	24%	54%
Classroom Skills	20%	
Job Search	15%	
OJT	18%	13%
Work Experience	6%	30%
Try Out	4%	--
Other	1%	3%

** Calculated using data in Table XII*

*** Table F-3, Annual Employment and Training Report for the President, 1983*

in JTPA.) Both OJT and classroom training, however, show increases in the current JTPA Title IIA program over the FY '82 CETA Title IIBC program. Thirteen percent of the people enrolled in this CETA program were in on-the-job training compared to 18 percent of those expected to be involved in this year's JTPA program. Although it is impossible to determine the level of increase or decrease in classroom training programs between JTPA and its predecessor, it is clear that a large percentage of the total JTPA participants are anticipated to be enrolled in this activity. (Multiple enrollment in various types of classroom training activities under JTPA makes a direct correlation between JTPA and CETA information impossible.)

Changes in Training

The percentage breakdown of the overall training mix in this year's adult and youth training programs was not perceived to be significantly different from that of the transition year.[15] Specifically, 77 percent of the interviewees stated that the percentage breakdown among the various training activities for adult participants would remain stable between the two years, while two-thirds (67%) indicated the same for the relative enrollment levels among youth programs.

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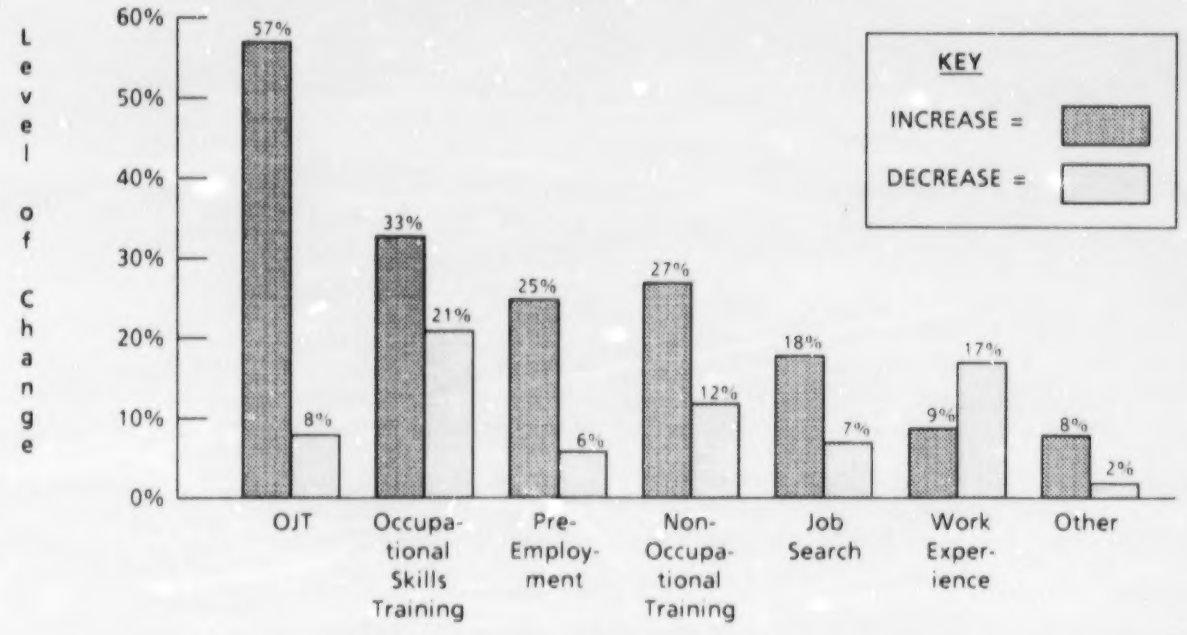
[15] Respondents were asked if the relative percentage of participants enrolled in this year's programs differed "significantly" from those offered during the 9-month transition. The term "significantly" was interpreted variously by the interviewees. Further, no data were gathered on the magnitude of the changes.

As shown in Table XIV, where changes were expected to occur with respect to the adult programs, they were primarily in the on-the-job and occupational skills training components. Over half of those who expected significant changes (57%) stated that a greater percentage of participants would be enrolled in on-the-job training programs and one-third of them planned to offer more classroom skills training courses this year. (Only eight percent of the interviewees who indicated that the program mix would change significantly said that fewer clients would be enrolled in OJT, while 21 percent predicted decreased emphasis on occupational skills training programs.)

TABLE XIV
CHANGES IN ADULT TRAINING PROGRAMS
(23% of all SDAs)*



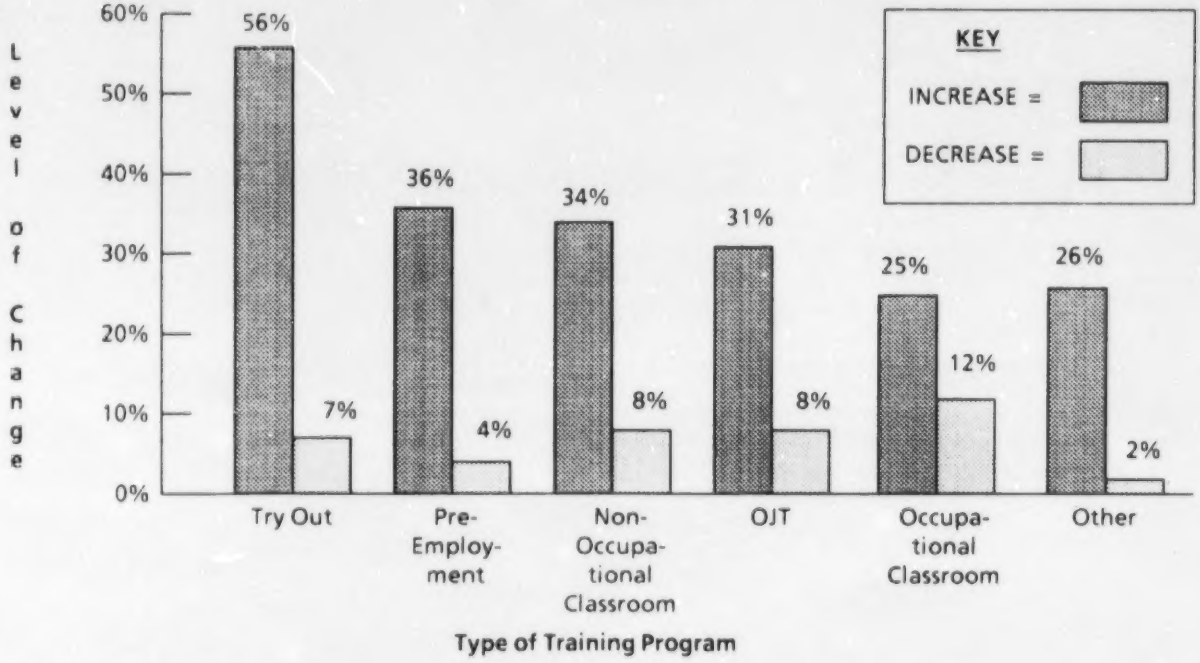
* Chart shows level of change only for those SDAs where enrollment in at least one type of program level changed significantly, i.e., only 23% of total number of SDAs.

About one-quarter of those anticipating changes in the adult training programs said that there would be more pre-employment training and non-occupational classroom training (25% and 27%, respectively); 18 percent planned on greater job search activities; nine percent anticipated more work experience; and eight percent expected a relative increase in the enrollment of clients in unspecified "other" programs.

The only adult program activity for which more SDAs expected a greater number of decreased enrollments than increased enrollments was work experience.[16] A decrease in adult work experience programs was planned in 17 percent of the sites. Less than 15 percent of those planning on changing their activity mix indicated that a smaller percentage of the adult participants would be enrolled in non-occupational skills training (12%), pre-employment training (6%), job search (7%), and other non-specified activities (2%).

Of those respondents anticipating changes in the distribution of youth among the various activities, the greatest change is in try-out employment. (See Table XV.) Over half of these SDAs (56%) are offering more try-out employment activities for youth; only seven

TABLE XV
CHANGES IN YOUTH TRAINING PROGRAMS
(33% of all SDAs)



* Chart shows level of change only for those SDAs where enrollment in at least one type of program level changed significantly, i.e., only 33% of total number of SDAs.

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[16]SDA interviewees often stated that they planned increases in enrollment levels in some training activities without anticipating decreases elsewhere. This is possible because the total funds available increases in going from a nine to a 12-month program year, and these additional of funds may be used to increase funding to priority programs without reducing the number of participants in other activities.

percent plan on cutting back this activity. About one-third of these SDAs intend to emphasize more pre-employment, non-occupational classroom training, and on-the-job training activities for youth (36%, 34%, and 31%, respectively), while approximately one- quarter will provide more "other" and occupational classroom training. A relative increased enrollment level in job search activities and work experience is expected in about one-fifth of these SDAs (20% and 22%, respectively). Less than 15 percent of the SDAs will offer less training in any of the activities.

Length of Training

With respect to long-term vs. short term training, SDA interviewees were asked to estimate the percentage of the adult and youth participants expected to be enrolled in programs requiring different lengths of training: more than 24 weeks; 17-24 weeks; 8-16 weeks; and less than 8 weeks. Table XVI shows that the typical SDA planned enrollments in programs of the following lengths:

TABLE XVI

PLANNED LENGTH OF TRAINING

	ADULT	YOUTH
More than 24 weeks	22%	26%
17-24 weeks	39%	36%
8-16 weeks	27%	26%
Less than 8 weeks	12%	12%

In spite of the fact that about one-quarter of the clients in the typical SDA are expected to be involved in JTPA training requiring more than 24 weeks, approximately one-fifth of the SDAs anticipate that none of their participants will be enrolled in these longer-term programs (17% for adult; 19% for youth). Thirty-nine percent and 44 percent of the SDAs, however, are not planning on offering any training programs less than two months in duration for adult and youth participants, respectively.

The average participation time for adult terminees in Title IIA training programs during the transition year was 12.5 weeks; the average length of training for youth was similar -- 12.8 weeks. Given that almost two-thirds (61%) of the participants in the average SDA are expected to be enrolled in programs operating more than 16 weeks, while another 27 percent are planned to participate in activities of an 8-12 week duration, it appears that many SDAs are expecting that many more of their enrollees will be involved in long-term training programs than was the case during the transition period.[17]

Under CETA, for FY '83 Title IIBC, the average length of training for adults was 22.2 weeks and for youth, 20.9 weeks. The longer participation in CETA may in part be explained by the considerably higher use of work experience under CETA than under JTPA. Under CETA, work experience typically lasted 26 weeks while other types of training were generally shorter.

[17]It should be noted that the average time of participation is not exactly comparable to planned length of training. The average participation period is lowered when a participant drops out before completing the planned length of training.

Sequenced/Coupled Training

JTPA administrators were asked to estimate the percentage of the SDA's participants expected to be involved in sequenced or multiple training programs. On average, almost one-third of the enrollees (32%) are expected to participate in more than one program.[18] One-third of the SDAs planned on having no more than 10 percent of their clients participate in multiple activities, and one-fifth of the SDAs expected that more than half of their participants will receive training in at least two activities. The remaining 47 percent indicated that between 10 and 50 percent of their enrollees would participate in more than one kind of training. Five percent of the SDAs planned that all participants would be involved in multiple training programs.

Although the average length of training for both adult and youth participants terminating from transition year JTPA programs was between 12 and 13 weeks, the substantial percentage of enrollees expected to participate in multiple training activities may indicate that while some people are involved in short-term activities, others are receiving more in-depth training. Also, the fairly substantial number of participants anticipated to be involved in more than one component implies that SDAs are, indeed, expecting to have participants enrolled in JTPA programs for a longer period this year than last year.

Classroom occupational skills training followed by on-the-job training were the two training components most frequently coupled by the SDAs (24%). Slightly fewer SDAs (22%) are offering a combination of non-occupational classroom training and classroom skills training while 15 percent of the SDAs provide non-occupational classroom training coupled with on-the-job training as a common multiple training combination. Motivational training coupled with a classrooom occupational skills component or structured job search program are training sequences used less frequently (10% and 9% of the SDAs, respectively).

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[18]The data shown in Table XII would seem to indicate that more than one-third of the participants are expected to be enrolled in multiple training programs. There may be two reasons for this: First, some participants may be enrolled in more than two activities, and therefore would appear more than two times; and second, SDA respondents often did not include participants who were enrolled in activities generally of short duration or those taken in preparation of the core program (e.g., pre-employment training or job club) as multiple program enrollees.

PRIVATE INDUSTRY COUNCIL ORGANIZATION AND ACTIVITIES

Summary of Findings

- *The average PIC continued to consist of 25 members, with 14 of those members from the business community. Almost two-thirds of the business members were from businesses of less than 100 employees. Nationwide, there is equal representation by chief executive officers and other business executives.*

- *Attendance by all members was good and turnover was low, with turnover usually resulting from personal reasons and not from frustration or dissatisfaction with JTPA.*

- *Both PIC chairs and SDA staff were consistent in their positive assessment of the PIC's role and impact, reinforcing the fact that both the public and private sectors had generally developed mutually satisfactory relationships.*

- *Business involvement appears to have increased since the beginning of JTPA with the PICs having more substantial functions in many areas compared to the transition year.*

- *About 250 PICs are now incorporated -- over 100 more than last year. Incorporation does not seem to have a significant effect on program results, but is associated with greater PIC involvement in certain key SDA activities.*

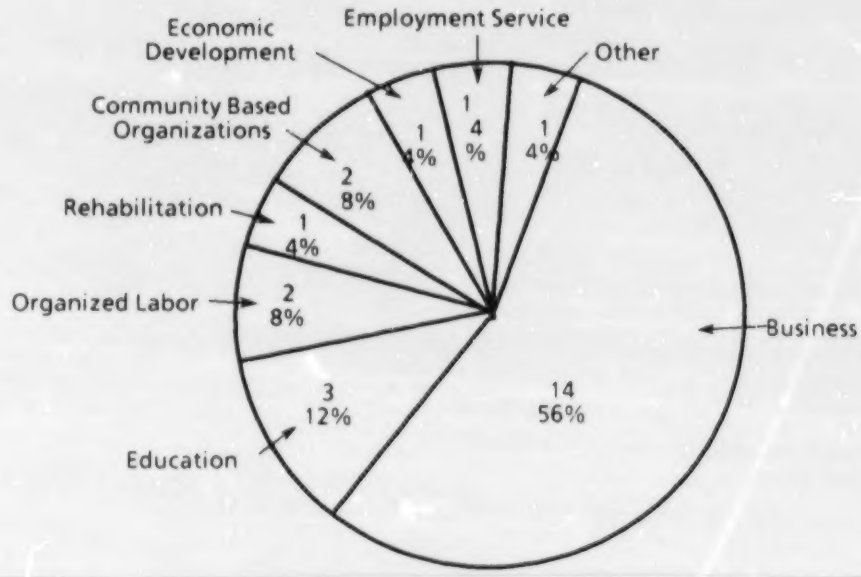
PIC Composition

Although individual PIC membership varies considerably -- from a low of 13 members to a high of 122 -- the average PIC consist of 25 members, 14 of whom (56%) are representatives from the business community. About 8,500 business volunteers are serving on PICs nationwide. As shown in Table XVII, the breakdown of representatives on an average PIC is: 14 from business, three from education, two from organized labor, one from vocational rehabilitation, two from community-based organizations, one each from economic development and the Employment Service, and one other who is generally a representative of a particular client group, public assistance agency, or local elected official. (These findings are identical to those found by NAB in its 1983 survey of all SDAs.)

Of the 14 private sector members on the typical PIC, the majority (9) represent businesses with less than 100 employees. Three private sector members represent medium-sized companies (100 - 500 employees) and two represent large firms (over 500 employees). Therefore, of the 8,500 business volunteers serving on PICs across the country, approximately 5,400 represent small business; 1,800 represent medium-sized companies; and 1,200 represent large firms. Not surprisingly, it is far more likely for the representatives from large firms to serve on boards in urban and suburban SDAs rather than rural jurisdictions. In fact, respondents from some rural SDAs indicated that, due to the scarcity of large businesses in their areas, the recruitment of PIC representatives from such companies is difficult, if not impossible.

TABLE XVII

COMPOSITION OF AVERAGE PIC



Among all private sector members, about half are chief executive officers. In fact, some states require that PIC members be chief executive officers or persons holding similar positions of authority. Over two-thirds (77%) of the chief executive officers serving on private industry councils are representatives of businesses with fewer than 100 employees.

PIC Member Turnover

PIC member turnover was low. Four of the 25 members on the typical PIC resigned or left since their initial appointments, with three of the four being business representatives. Interviewees in both the large SDA survey and the PIC chair study were asked to provide reasons for the private sector turnover.

Both the PIC chairs and the SDA staff most often attributed private sector turnover to reasons unrelated to JTPA. Such reasons as "moved to another city," "left the company," or "poor health" were noted by 71 percent of the PIC chairs and 66 percent of the SDA administrators. Other commonly cited reasons included: PIC membership required too great a time commitment (61% of both the PIC chairs and SDA interviewees), and removal from the PIC by its bylaws or chair because of poor meeting attendance (35% of the PIC chairs and 17% of the SDA administrators). Leaving at the end of the PIC's normal term of service was also cited by both sets of respondents (PIC chairs: 11%; SDA staff: 12%). Less than 10 percent of the respondents in either survey attributed private sector resignations to such issues as disagreements with SDA staff or with the local elected official, or to a member's belief that the PIC was ineffective or had too little authority.

SDA interviewees were asked if the PIC had problems maintaining or replacing members. A fairly small number (12%) indicated that during the transition year they had difficulty recruiting new members or keeping PIC volunteers. In over one-third of the SDAs (38% or 6% of all SDAs) where such problems were said to exist, excessive time requirements placed on PIC members was cited as the reason for the PIC's difficulty in maintaining full membership. Lack of a sufficient or aggressive recruitment strategy was the second most common reason, noted by 12 percent of those having problems in this area (2% of all SDA respondents). The business community's perception that the PIC was ineffective and state imposed restrictions on membership (e.g., only chief executive officers could sit on the PIC) were each cited by 10 percent of the respondents from SDAs with member recruitment or retention problems, or 2 percent of all SDAs.

Operation of PICs

About two-thirds of the PICs meet monthly (62%) with most of the others meeting either bi-monthly (19%) or quarterly (12%). Overall PIC attendance averages 72 percent, while average private sector attendance is slightly lower -- 69 percent and 70 percent according to SDA and PIC chair respondents, respectively. Only two percent of the PIC chairs and six percent of the SDA administrators indicated that business member attendance was generally less than 50 percent.

PIC Incorporation

Forty-three percent of the private industry councils were incorporated at the time of contact. An additional seven percent of the PICs planned on incorporating during the year. (Data from the 1983 survey of all SDA showed that one-quarter of the PICs were incorporated at the time of contact while just under one-quarter planned on incorporating.)

While there is not significant difference in Title IIA allocations between incorporated and unincorporated private industry councils, as indicated earlier, incorporated PICs are almost twice as likely to be recipients of non-federal funds as are unincorporated PICs. Other differences noted between incorporated PICs and those not incorporated include staffing, status as the administrative entity, and role in the SDA's major activities -- incorporated PICs are five times more likely to have staff of their own (53% vs. 9%); six times more likely to be the administrative entity (75 SDAs vs. 5 SDAs); and are somewhat more likely to have a significant level of involvement in most key SDA activities (e.g., planning, selection of training, selection of contractors).

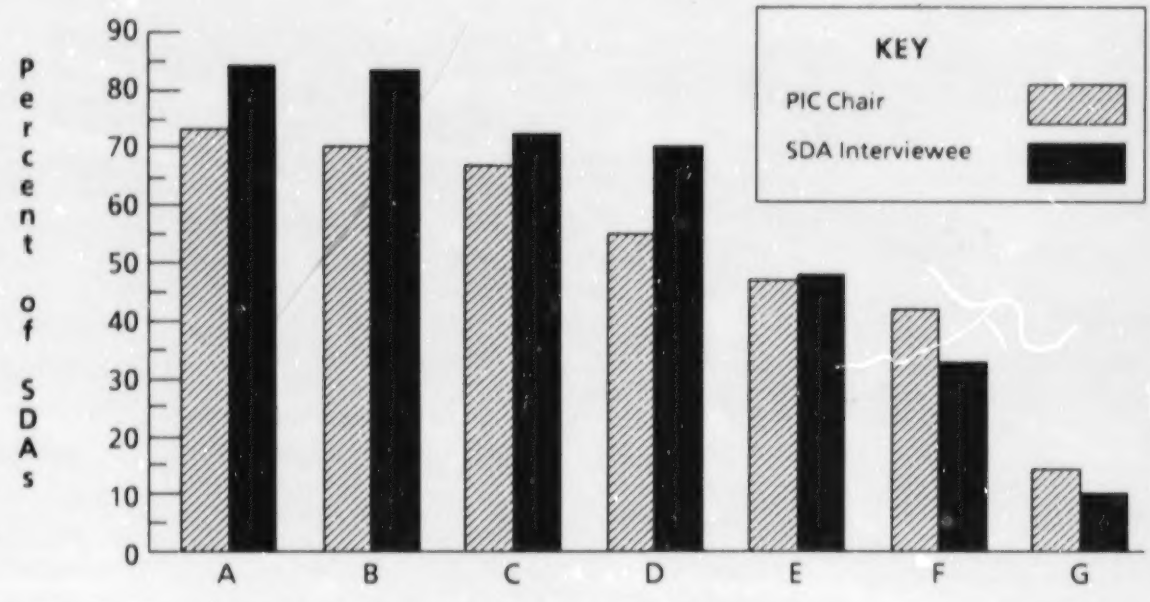
PIC Involvement

Generally, both the private sector interviewees and the SDA administrators said private industry councils were significantly involved in the planning and administration of the local programs. Eighty-two percent and 80 percent of the PIC chair and SDA respondents, respectively, stated that the PIC played a significant role in overall planning and policy development for the SDA. (See Table XVIII.)

With respect to specific activities, more than two-thirds of the PIC chairs cited three areas where they perceived their PIC to have substantial involvement: selection of types of training (73%); selection of service providers (70%); and evaluation of training programs (67%). These same three activities were ranked highest by the SDA respondents, although a somewhat larger proportion of the SDA staff saw their PICs as being

TABLE XVIII

LEVEL OF PIC INVOLVEMENT



	PIC CHAIR	SDA		PIC CHAIR	SDA
A = Selection of Training	73%	84%	E = Tracing of Expenditures	47%	48%
B = Selection of Service Providers	70%	83%	F = Labor Market Surveys	42%	33%
C = Evaluation of Programs	67%	72%	G = Fundraising	14%	10%
D = Public Relations	55%	70%			

significantly involved in these areas: selection of types of training (84%); selection of service providers (83%); and program evaluation activities (72%).

Over half the respondents from both surveys indicated that the PIC played a substantial role in public relations activities and outreach to the business community. Again, more SDA respondents generally believed that the PIC played a substantial role in these areas than did PIC chairs. Fifty-five percent of the private sector respondents stated that the council devoted substantial time and energy to these two activities, while 70 percent of the SDA staff responded likewise.

Both the PIC chairs and the SDA administrators ranked the same three areas lowest in terms of PIC involvement: tracking enrollments and expenditures on a regular basis, labor market surveys, and fundraising. Close to half of the respondents in each survey viewed the PIC as being substantially involved in the tracking activity (47% of the PIC chairs and 48% of the SDA interviewees). Significant involvement by the PIC in activities related to labor market surveys was cited by 42 percent of the business interviewees and one-third of the SDA staff. Fundraising was rated as the activity in which the fewest number of PICs had substantial participation (14% of the PIC chairs and 10% of the SDA respondents).

Incorporated PICs show a somewhat higher level of involvement in most SDA activities. The difference is greatest in the area of fundraising, in which the incorporated PICs are twice as likely to be actively involved as are unincorporated private industry councils.

Charges in PIC Role

Slightly more than half (51%) of the PIC chairs said that the role and functions of the PIC had changed in major ways over the last year. By far, the most common changes mentioned were those indicating an increased role or level of involvement of the PIC members in the local program. A greater role in policy development and planning, operational decision-making, and determining the SDA's training activities led the list of changes cited (29%, 27%, and 15%, respectively). Only two of the 83 chairs interviewed indicated a decline in involvement on the part of the PIC in the SDA's operations and, in one of these cases, the cited reason was greater confidence by the PIC members in the staff's capabilities.

PIC Member Satisfaction

As part of the PIC chair survey, the interviewees were asked whether their colleagues who serve on the PIC were generally satisfied with the council's role and level of responsibility. The overwhelming majority responded affirmatively. Nearly three-quarters (71%) of the chairs interviewed indicated that the private sector PIC members were generally pleased with their involvement in the local program. Furthermore, another 17 percent indicated that the members were generally satisfied but had concerns in certain areas. Only 12 percent of the chairs indicated that PIC business members were dissatisfied on the whole.

Among the 24 PIC chairs expressing dissatisfaction, either in specific areas or in general, the most commonly mentioned problem (noted by 12 of the 24) was disagreement with state staff over policies or procedures mandated by the state agency responsible for the JTPA, or the timeliness or manner with which the state agency responded to SDA requests. The second most frequently mentioned area (noted by 10 of the 24) was that too much paperwork was required of PIC members and that dealing with it was too time- consuming. Seven out of the 24 chairs indicating some level of dissatisfaction mentioned that PIC member unhappiness stemmed from the perception that SDA staff and operations were dominated by local elected officials; seven of these 24 also said that disagreement among the various local elected officials hampered the PIC.

Staffing

In the overwhelming majority of service delivery areas, private industry councils rely on information and support provided by the staff of the administrative entity, which is often a local government agency. Only slightly more than one-quarter of the PICs (28%) have staff that report directly to them. (In half of these cases, the PIC is the administrative entity or the grant recipient.)

Incorporated PICs are far more likely to have staff than those not incorporated. Fifty-three percent of the incorporated PICs have staff while only nine percent of the unincorporated PICs have their own employees. This is true whether or not the PIC acts as the administrative entity. Incorporated PICs that are not the administrative entity are twice as likely to have staff as are unincorporated PICs. Of course, most PICs (94%) that are the administrative entity are incorporated and have staff.

Generally, PIC chairs were satisfied with the level and competence of the support provided to the council. Over 70 percent of the chairs indicated that there were no unresolved problems between the PIC and SDA staff and many, in fact, commended the staff's performance. Of those raising concerns, the most commonly mentioned problem (cited by nine out of the 22 expressing concerns) was a frustration with slow and cumbersome government operational procedures and policies. Conflicting goals between the PIC and local elected officials were mentioned as a problem by seven of the 22 indicating problems. Too much paperwork, inadequate responsiveness to PIC requests, and an overly bureaucratic style were each mentioned by five of the 22 respondents as having a negative impact on SDA operations.

Significantly fewer SDA administrators (7%) than PIC chairs (27%) stated that there were existing unresolved problems between the PIC and the SDA staff. Where SDA interviewees noted that such problems existed, they were usually attributed to one of two issues: conflict over the role of the PIC, or disagreement between the chief elected official and the PIC over the goals or emphasis of the local program.

ANALYSIS OF STATE AND LOCAL RELATIONS

Summary of Findings

- *About half of the SDA administrators indicated that they were dissatisfied with state JTPA administration. However, two-thirds of those dissatisfied are concentrated in 12 states.*

- *PIC chair views are at best mixed concerning the effectiveness of the State Job Training Coordinating Council in developing statewide policies, in making a difference in local JTPA programs, or in involving business people with JTPA.*

- *States have designed a variety of individual reporting systems for their SDAs; the amount and type of information requested varies considerably as does its value to SDA day-to-day management of the program.*

SDA Satisfaction with the State

Slightly more than half of the SDA interviewees (55%) indicated that they were generally satisfied with the performance of the state agency and staff charged with the oversight of local JTPA programs.[19] State-specific data show that all the JTPA administrators in six states were generally pleased with the state's performance. Such states were those having relatively few SDAs (less than 12). At least two-thirds of the SDA respondents in another 11 states were satisfied on the whole with state procedures and staff as were half or more of the interviewees in 12 additional states.

Over half (56%) of the SDA administrators who expressed dissatisfaction with the state were concentrated in seven states; and two-thirds of them were located in 12 states. These states had the largest number of SDAs and the largest Title IIA allocation. In only one state were all the respondents unhappy with the state. Most of the SDA administrators not pleased with the state's performance listed more than one area with which they were dissatisfied. Of those not satisfied, the most frequent reasons cited included: too much paperwork is required; state staff is too slow in responding to SDA requests; state staff lacks the necessary experience and knowledge; time frames imposed by the states are unrealistic and too tight; and the state is much too prescriptive overall. Each of these reasons was provided by approximately 15 percent of the total number of SDA staff interviewed, or one-third of those who expressed dissatisfaction.

SDA interviewees were asked in which areas the state had provided good assistance. Most interviewees noted at least two areas in which they felt the state was particularly effective. Almost one-half of the respondents (46%) cited good general technical assistance, and 34 percent noted good technical assistance on the establishment of management information systems. The next most frequent answers were: concise and well-written policy statements, clear definitions of cost categories and reporting requirements, and good assistance in developing performance standards (each mentioned by about 16 percent of the SDAs). Almost one-fifth of the SDA respondents (19%) could cite no areas in which the state had provided good assistance.

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[19] Questions pertaining to the state were not asked of SDA administrators in statewide service delivery areas.

These same interviewees were also asked in what areas the state had been over-prescriptive or otherwise caused problems. Approximately two-fifths of the respondents (39%) felt that the state was overly prescriptive in its reporting requirements and the amount of paperwork it required, while over one-fourth (29%) indicated that the state was overly prescriptive in the definition of cost categories. Other areas not as frequently cited included: restrictions on PIC member configuration (15%), specific aspects of coordination criteria (13%), and interference with the selection of target groups (10%). In 26 percent of the SDAs, however, no problem of any kind with the state was mentioned.

State Job Training Coordinating Council

The PIC chairs were asked two questions about the perceived effectiveness of the State Job Training Coordinating Council. They were first asked if the state council was useful in developing statewide policies and activities that made a difference in the overall effectiveness of the local JTPA programs. Of the 77 respondents who had an opinion, 42 percent felt that the council was useful in this regard; 31 percent felt it was only somewhat helpful; and 27 percent believed it was not useful at all. (Six of the respondents indicated that they were not familiar enough with the state council to respond to the question.)

PIC chairs were also asked whether the state council was effective in attracting private sector or employer involvement in the JTPA. The breakdown of responses is similar to that found in the first question dealing with the state council. Of the 74 chairs who had an opinion, 42 percent indicated "yes, the council was effective;" 26 percent said "no, it had no substantial impact;" and 32 percent felt the council was "somewhat effective." Nine of the PIC chairs held no opinion.

Compliance Reporting and Management Information

Under the decentralized management system of the Job Training Partnership Act, the state has a primary role in the reporting of participant characteristics (age, race, sex, welfare status, etc.) and performance data (job placements, positive terminations, costs, etc.) for all federally funded employment and training programs. Enrollments and general characteristics must be reported to the U.S. Department of Labor quarterly and a more detailed Annual Status Report (covering such information as number of enrollments and terminations, detailed termination characteristics, and youth and adult program costs) must be submitted on the major programs for each service delivery area after the end of each program year. Although the comprehensive SDA survey was not designed to study state and local management information systems, a number of issues were uncovered in the course of interviewing SDA administrators.

Although the states are required to collect and report the information according to standardized national definitions, they have been left free to design and implement any reliable and accountable reporting systems for their respective service delivery areas. These reporting systems must include at least the information required by the federal government but may also include other information which the state believes may be beneficial to the SDAs or necessary to the carrying out of other state responsibilities under the Act.

States have exercised a great deal of latitude in designing their individual reporting systems for Title IIA participant characteristic and performance information. Most state JTPA administrations appear to have taken considerable care in developing

credible reporting systems. (Thirty-one percent of the SDAs credited the states with providing good technical assistance on reporting systems.) Many states are using up-to-date computer technology to gather and process the information in a timely and accurate manner.

Nevertheless, the short time allowed to develop these complex systems (often with no previous statewide system in place) has left many of them with some apparent drawbacks. For example, in many states the first priority went to designing systems for compliance reporting without much attention being given to the utility of the information for local SDA management purposes. In those states, SDAs which did not have reliable manual backup systems were left virtually without information on the progress of their local program during the year. Even in states where there was regular feedback of information to the SDAs, there was often little training for SDA staffs (especially the many new SDAs without previous employment and training experience) by the states in the use of the information for management purposes.

The amount of information gathered also varied widely among the states. The federal reporting forms require the minimum information needed to track the progress of the program from a national perspective, but not enough information for experienced employment and training managers and planners to design and evaluate their programs. In states which gathered only the minimum information needed for federal reporting systems, the value of the state systems to local SDAs was sharply curtailed.

At the other end of the spectrum, some states required extremely detailed information (based on CETA reporting requirements or on an apparent overzealousness for tracking of SDA activities and performance on the part of state administrators). In addition, the financial and participant reporting systems were not always consistent between the various state administered JTPA programs and Title IIA. In such cases, the amount and the inconsistency of reporting was considered an unnecessary administrative burden, especially for smaller SDAs which have very limited administrative funds.

CONCLUSION

The Job Training Partnership Act has caused significant changes in the way job training programs are conducted. As with any new legislation, those involved in implementing JTPA must move through several key stages. First, they must forge new institutions and relationships. Then, while minimizing disruptions in service, these institutions must plan new programs and begin to operate them. Over time, programs have to be refined. Finally, impact needs to be assessed to determine the effectiveness of the programs -- whether or not they operated efficiently in making a difference to the people served.

The first nine months of JTPA and the initial steps taken prior to that time have shown encouraging progress in moving through the stages outlined above.

New public/private partnerships evolved. While these efforts were initially difficult, the public and private sectors struck new balances of power that have remained stable and mutually satisfactory. In most cases, the partners have resolved their differences, and their relationships under JTPA have not required major shifts in roles or caused major disruptions in service.

The private sector volunteers have shown a continuing level of commitment and have generally increased their role as the nine-month transition period ended. The roles and functions of the PICs have tended to increase, and with them, business involvement. Turnover has been low and members who left the PICs generally did so for reasons unrelated to frustration with the program. Despite the time commitment required, most business members attend meetings regularly, usually monthly, and the majority of members are satisfied with their roles and responsibilities.

Although planning was often rushed, many of the activities undertaken during the nine-month transition period have been very positive. Five of the seven performance standards were met or exceeded by 80 percent of the SDAs. This means that overall more adults and youth were placed in jobs and at lower costs per placement than stipulated in national standards.

SDAs have established multi-faceted training programs. Although many people had expressed concern about over-reliance on on-the-job training, the past nine months' experience and anticipated activities for the current year point to extensive use of classroom skills training as well as OJT and pre-employment and motivational training. The wide variety of training providers in most SDAs further points to the variety of training designs.

It is also a positive sign that there has been an effort to reach out to other agencies to take advantage of their programs and services. While these efforts are not yet well developed in many areas, it is encouraging to note the large number of written agreements between the administrative entity and Employment Service offices, secondary and post-secondary education institutions, welfare entities and rehabilitation agencies.

The findings of the first nine months also indicate that program success (in terms of such factors as performance measures, client characteristics, and good public/private relationships) depend almost entirely on local capability and initiative. With the exception of concerns raised over the 15 percent administrative funds limitation, survey respondents did not consistently associate program problems with JTPA's legislative

requirements or other external factors. This finding is consistent with the intention of the law to place both responsibility and authority at the local level.

To be sure, there are issues to be watched. With only nine months completed in the program at the time of the survey, there had been little time to refine programs to address problem areas. How SDAs and states respond to some of the challenges of these key issues will, in fact, determine the eventual impact of the program. The following areas are some in which analysis remains inconclusive.

Although there are indications of problems, state/local relationships are difficult to assess overall. Almost half of the SDAs expressed dissatisfaction with the states, and many PIC chairs judged SJTCCs to be marginally or not at all effective. Yet, many of these dissatisfied SDAs were concentrated in a limited number of states, a finding which suggests that the majority of states are resolving their differences with their SDAs. State/local relationships will continue to be tested particularly by such factors as increased demand for technical assistance and the new challenges of the next two-year planning cycle.

JTPA's impact on participants cannot yet be assessed; none of the studies to date, including this one, have been able to draw definitive conclusions. We do know that the characteristics of those being served are very similar to those served in the final year of Titles IIB and C of CETA and that 94 percent of the participants are economically disadvantaged. SDAs which have experienced problems recruiting and keeping participants in the program offer a variety of explanations. While some attribute problems to restrictions in the legislation (e.g., lack of stipends or supportive services), a large majority cite other issues (e.g., slow start-up or poor marketing), indicating that problems may result less from legislative mandates and limitations than from local programmatic design issues.

Average length of participation in the first nine months of JTPA was less than that under CETA; the impact of this change on the type of client served and on the overall program cannot yet be judged. While certain participants moved quickly through the program, others received more indepth services over a longer period. Furthermore, at the time of interview, SDA respondents were anticipating longer enrollment periods for the current year when compared to last year's.

The law encourages SDAs and states to negotiate adjusted performance standards to reflect the kinds of people being served and the types of services being offered. It is unclear whether SDAs and states will take advantage of these opportunities, or simply respond more narrowly to placement requirements. This may prove to be an increasingly pivotal issue. Given the existing standards, there may be a tendency for some SDAs to try to "beat" the numbers and a reluctance to alter program design, or to serve certain "hard- to-serve" groups which may require adjustments to lower performance standards. On the other hand, recent discussions to change performance standards to emphasize retention and earnings gains could mitigate against these tendencies.

Service to youth remains an area of concern. Almost half of the SDAs had difficulty meeting their youth expenditure goals. SDAs also found it most difficult to meet the performance standard for youth positive terminations. Since a number of service delivery areas indicated that issues such as the lack of youth competencies and the late start- up of youth programs affected positive outcomes in the transitional period, the problem of meeting the youth positive termination goal may well be resolved in many SDAs in the course of the year. However, since the majority of SDAs did not expect to

change the ratio of adults to youth, nor the mix of services offered, the adequacy of service to youth may continue as an issue.

Given the substantial changes brought about by the passage of JTPA, state and local participants during the transition year have been remarkably successful at solidifying public/private relationships and planning and implementing initial programs. Programming for the first year appears to have made a good start with placement rates exceeding national standards. Given the short time that JTPA has been in existence, there has been little time for program refinements, nor any opportunity to assess the long-term impact of the program on those served. An important factor in the next year will be the degree to which the states and SDAs take advantage of the opportunities in the legislation, such as creative youth programming and the flexibiiities permitted in the performance standards, in order to assure that those who need assistance in finding work are trained and placed in jobs.